

terest thereon but any such sums so levied shall be separately levied and when collected, shall be paid into a special separate fund and used only for the purpose of paying such bonded indebtedness and interest thereon.

Sec. 5. May provide for war and historical museum.—The governing body of any such city or village may provide in such building for a war and historical museum, and for such other features as it may determine.

Sec. 6. Application.—Insofar as this act affects cities of the third class, it shall be deemed as amendatory of and supplementary of Chapter 257 Session Laws of Minnesota for the year 1921, but shall not affect any building, monument or parks or proceedings heretofore commenced under such act.

Approved April 18, 1923.

CHAPTER 326—H. F. No. 1196.

An act to amend Chapter 382, Session Laws of 1919, as amended by Chapter 23, Session Laws of 1921, entitled "An act authorizing the incorporation of co-operative associations and defining their powers."

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

Section 1. Laws amended.—That Chapter 382, Session Laws of 1919, as amended by Chapter 23, Session Laws of 1921, be and the same is hereby amended to read as follows:

Section 1. Co-operative associations—Who may organize—Purpose—Powers.—A co-operative association, may be formed for the purpose of conducting any agricultural, dairy, *marketing, warehousing, commission, contracting, building, mining, telephone, manufacturing, or any mechanical, mercantile* or electrical heat, light or power business, *or for all such purposes or for any other lawful purpose*, upon the co-operative plan, and in addition to other powers, such *co-operative* association, shall have the power *either as agent or otherwise* to buy, sell or deal in its own products, the products of its individual members *or patrons*, the products of any other co-operative association *or of its members or patrons*, whether *such co-operative association be* organized under the provisions of this act or otherwise. It shall be lawful for such co-operative association to sell its own products as well as the products of its members *or patrons* for them, *or the products of any other co-operative association or of its members or patrons for them, as the case may be*, either individually or collectively, and to negotiate the price at which such products may be sold either for itself or for its members *or patrons, or such other co-operative association and its members or patrons*, individually or collectively, as the case may be; *also to enter into or become a party to any contract or*

agreement either for itself or for its individual members or patrons, or between it and its members. For the purposes above stated such co-operative associations shall have the power and authority as a corporation to purchase and hold, lease, mortgage, encumber, sell, exchange and convey such real estate, buildings and personal property as the business of the association may require, also to erect buildings or other structures or facilities upon its own lands or leased grounds, or upon right of way legally acquired by such co-operative association. Such co-operative association shall also have the power and authority to issue bonds or other evidence of indebtedness and to borrow money to finance the business of the association, or to make advances to its members or patrons upon produce delivered by such members or patrons to the association provided, however, that the indebtedness so incurred shall not exceed the limit of indebtedness fixed in the articles of incorporation of such co-operative association, as hereinafter required. For the purpose of empowering and authorizing co-operative association incorporated under the provisions of this act to join with other co-operative associations in this state or other states, whether incorporated under this act or under the laws of any other state, to form district, state or national organizations or market agencies, any co-operative association incorporated under this act, by vote of the governing board thereof may purchase, acquire, hold or dispose of the stock of any other co-operative association or corporation, whether incorporated under this act or under the laws of any other state, and assume all rights, interests, privileges, responsibilities and obligations arising out of the ownership of such stock. A co-operative association incorporated under this act shall also have the power and authority, either for itself or for its individual members or patrons, to do and perform every act and thing necessary or proper to the conduct of its business or the accomplishment of the purposes set forth in this act, and in addition any other rights, powers or privileges granted by the laws of this state to ordinary corporations, except such as are inconsistent with the expressed provisions of this act.

For the purpose of this act a co-operative association shall be defined as a corporation, company, society, exchange, union, guild or association organized for the purpose of transacting business with or for its members and others, individually or collectively, for mutual benefit and in a co-operative manner, and the plans of organization and the business practices of which shall be stated in its articles of incorporation and by-laws and shall provide (a) that the ownership of capital stock therein by any individual stockholder shall not exceed the par value of One Thousand Dollars (\$1,000.00); and (b) that stockholders shall be restricted to only one vote in the affairs of the association; and (c) that shares of stock shall not be transferable except with the approval and consent of the governing board of such association; and (d) that interest

shall not be paid on outstanding or paid-up capital stock of the association in excess of eight per cent (8%) per annum; and (e) that the net income of such association, except such amounts as are required to be set aside as a reserve fund or permanent surplus or may be set aside by vote of the stockholders of the association, available for distribution, among the members, or patrons, or both, as the case may be, shall be distributed only on the basis of patronage. No corporation or association hereafter organized in this state shall be entitled or permitted to use the term "co-operative" as part of its corporate or business name or title, or to represent itself as a co-operative association, unless it has complied with the provisions of this act, or any other law of this state now existing or hereafter enacted providing for the incorporation of co-operative associations. Any corporation or association which violates this provision shall be guilty of a misdemeanor.

Section 2. Organizers—Articles of incorporation—Contents and filing.—A co-operative association may be organized under the provisions of this act by five or more incorporators, who may act for themselves as individuals or as the agents of other co-operative associations, whether organized under this act or otherwise.

Persons forming a co-operative association under this act shall sign and acknowledge written articles of incorporation specifying (a) the name of the association, its purpose and the general nature of its business and the principal place of transacting the same. Such name shall distinguish it from all other corporations, domestic or foreign, doing business in the state, and shall be preserved to it during its corporate existence; and (b) the period of its duration, which shall not exceed thirty (30) years without renewal; and (c) the amount of its capital stock, the number of shares into which it shall be divided, the par value of each share and in what manner it shall be paid; provided, however, the corporations organized under this act or under any other act providing for the incorporation of co-operative associations may issue common and preferred stock having different par values, and only the common stock shall carry voting power; and (d) the highest amount of indebtedness to which the association shall at any time be subject, which limitation may be fixed in a stated amount or based upon the amount of its paid-in capital, or upon the amount of its paid-in capital and permanent surplus; and (e) the names and places of residence of the incorporators and whether such incorporators are acting for themselves as individuals or as the agents of other associations; and (f) in what governing board its management shall be vested, the date of the annual meeting of the stockholders at which such governing board shall be elected, the names and places of residences of those who shall compose such governing board until the first annual meeting of the stockholders and (g) the articles of incorporation, may also contain any other provision de-

fining and regulating the powers or business of the association and the duties and responsibilities of its officers, directors, trustees, members and stockholders; and (h) shall state the period of the fiscal year of the association. Co-operative associations may also be formed without capital stock. Such non-stock associations may be incorporated for any of the purposes set forth in Section 1 of this act and shall have the same powers and authority as conferred upon associations with capital stock.

Persons who desire to organize a co-operative association under the provisions of this act shall submit to the Attorney General in duplicate written copies of the proposed articles of incorporation of such proposed co-operative association for examination and approval. If upon such examination by the Attorney General such proposed articles of incorporation are found to be in proper and legal form and if the purposes of such proposed co-operative association and the other provisions of such proposed articles of incorporation are found to be within the provisions of this act, the Attorney General shall endorse such proposed articles of incorporation with his approval and the incorporators shall thereupon be entitled to proceed with the incorporation of the proposed co-operative association in the manner hereinafter provided. Proposed amendments to such articles of incorporation and the by-laws and amendments thereto of such co-operative associations shall also be subject to examination and approval by the Attorney General as above provided and the articles of incorporation and by-laws and amendments thereto of any such co-operative association shall not be effective or held to be binding upon the members of such association unless they have been so examined and approved by the Attorney General. Co-operative associations which come within the provisions of this act shall not be subject to the action or approval of the State Securities Commission as to the provisions of their articles of incorporation or by-laws or with reference to the sale of their capital stock or securities.

The articles of incorporation of any co-operative association organized under this act, or amendments to such articles of incorporations, shall be published in a legal newspaper in the county of the principal place of business of such co-operative association for two successive issues. The original articles of incorporation, or a certified copy thereof, verified as such by the affidavits of two of the incorporators, shall be filed with the Secretary and a copy thereof, certified as above required shall be filed and recorded in the office of the register of deeds of the county in which the principal place of business of the association is located. For filing the articles of incorporation or amendments thereto with the Secretary of State there shall be paid to the state treasurer a fee of five dollars (\$5.00).

Section 3. Capital—Limits of interest—Vote.—The amount of the authorized capital stock of the association shall be fixed by

the articles of incorporation. The amount of *the authorized capital stock* and the number of shares may be increased or diminished at any regular meeting of the stockholders of the association or at any special meeting of the stockholders called for such purpose, in the manner hereinafter provided for amending the articles of incorporation.

Within thirty (30) days after the adoption of an amendment increasing or diminishing *the authorized capital stock*, a copy of such amendment and a statement of the proceedings and the vote by which such amendment was adopted shall be filed or recorded in the offices where the articles of incorporation were filed or recorded, as provided in Section 2, of this act. The association may commence business whenever twenty per cent (20%) of the *authorized capital stock* has been subscribed and paid in and the amount of the capital stock outstanding shall at no time be diminished below twenty per cent (20%) of the amount of the *authorized capital*. No share shall be issued for less than its par value nor until the same has been paid for in cash or its equivalent and such payment has been deposited with the treasurer of the association.

Any association organized under this act may limit the amount of stock or the number of shares of stock therein which may be issued to or owned by an individual person or association, which in the case of an individual shall not exceed the amount of \$1,000 of the par value of such stock, and which in the case of an association shall not exceed more than ten per cent (10%) of its paid in capital and permanent surplus. Any co-operative association organized under this act may acquire and hold stock in any other corporation organized under any law of this state or of any other state of the United States, the purpose of which may be a federation of co-operative associations or for the purpose of forming a district, state or national marketing, sales or service agency or for the purpose of acquiring marketing facilities at terminal or other markets in this state or other states to an amount not exceeding ten per cent (10%) of the paid-in capital and permanent surplus of such co-operative association. A stockholder in any co-operative association organized under this act shall not be entitled to more than one vote which shall be in person, or by mail as hereinafter provided, and not by proxy, except that any such co-operative association that is a stockholder in any other corporation shall have the power and authority by its board of directors or by its stockholders to elect or appoint any person to represent it at any meeting of the stockholders of any corporation in in which it owns stock and the person so elected or appointed shall have full power and authority to represent such co-operative association and also to cast its vote at any such meeting. Stock in any co-operative association organized under this act shall be sold or transferred only with the consent and approval of the board of directors and the by-laws of such co-operative association shall provide that it shall have the first privilege

of purchasing stock offered for sale by any stockholder. Any stock so acquired by the board of directors for *such co-operative association* may be held as treasury stock or may be retired and cancelled. Any stockholder who knowingly, intentionally or repeatedly violates the provisions of the by-laws adopted by any *co-operative* association organized under this act may be required by the board of directors of *such co-operative association* to forfeit his stock, in which case the *association* shall refund to such *stockholder* the par value of his stock or in case the book value of such stock shall be greater than the par value, *such stockholder* shall be paid the amount of the book value of *such stock*. Stock so forfeited shall be retired and cancelled by the board of directors and such stockholders shall thereafter have no rights, privileges or benefits in such *co-operative* association.

Any stockholder who is absent from any meeting of the stockholders of any association, organized under the provisions of this act, may, as herein provided but not otherwise, vote by mail on the ballot herein prescribed, upon any motion, resolution or amendment to be acted upon at such meeting. Such ballot shall be in the form prescribed by the board of directors of such association and shall contain the exact text of the proposed motion, resolution or amendment to be acted upon at such meeting and the date of the meeting; and shall also contain spaces opposite the text of such motion, resolution or amendment in which such stockholder may indicate his affirmative or negative vote thereon. Such stockholder shall express his choice by marking an "X" in the appropriated space upon such ballot. Such ballot shall be certified to and signed by the stockholder if an individual, or if a corporation by the president or secretary thereof, and when received by the secretary of the association holding the meeting, shall be accepted and counted as the vote of such absent stockholder at such meeting.

Section 4. Stockholders meeting—Regular and special.—*Regular meetings of the stockholders of co-operative associations organized under this act shall be held annually at the principal place of business of the association at such times as shall be designated in the by-laws. At such annual meeting reports covering the business of the association for the previous fiscal year and showing the condition of the association at the close of the fiscal year shall be submitted to the stockholders by the officers, and directors shall be elected for such terms of office as shall be prescribed in the by-laws of the association. The secretary of the association shall give notice of such meeting by publication in a legal newspaper published in the county of the principal place of business of such association at least two (2) weeks previous to the date of such meeting or by mailing notice thereof to each and every stockholder personally or in case of an association to the secretary thereof at his last known post office address not less than fifteen (15) days previous to the date of such meeting.*

Special meetings of the stockholders may be called by a majority vote of the directors of the association or upon the written petition of at least ten per cent (10%) of the stockholders, in which case it shall be the duty of the president of the association to cause notice of such meeting to be given as above provided. Such notice shall state the time, place and purpose of such special meeting and shall be issued within ten (10) days from and after the date of the presentation of such petition and such special meeting shall be held within (30) days from and after the date of the presentation of such petition. Upon the mailing of any notice of a regular or special meeting of the stockholders of any association, as provided by this act, the secretary of such association shall execute a certificate, setting forth a correct copy of such notice and showing the date of the mailing thereof and that the same was mailed within the time and in the manner prescribed by this act. Such certificate shall be made a part of the record of such meeting. Failure of any stockholder to receive any such notice shall not invalidate any action which may be taken by the stockholders at any such regular or special meeting.

Section 5. Quorum.—At any regular or special meeting of the stockholders of any association incorporated under this act a quorum necessary to the transaction of business shall be at least twenty per cent of the total number of stockholders in the association when the number of stockholders in such association does not exceed two hundred and in associations having a larger number of stockholders fifty stockholders present in person shall constitute a quorum. The fact of the attendance of a sufficient number of stockholders to constitute a quorum shall be established by a registration of the stockholders of the association present at such meeting, which registration shall be verified by the president and secretary of the association and shall be reported in the minutes of such meeting. No action by any association organized under this act shall be valid or legal in the absence of a quorum at the meeting at which such action may be taken.

Section 6. Directors—Election of—Duties—Officers.—Every co-operative association organized under this act shall be governed by a board of not less than (5) directors, who shall be members or duly elected or appointed representatives of members of the association and who shall be elected at the annual meeting by the stockholders for such terms and in such manner as the by-laws of the association shall prescribe. The officers of the association shall be a president, one or more vice-presidents, a secretary and a treasurer, who shall be elected annually by and from the directors. The offices of secretary and treasurer may be combined and, when so combined, the person filling such office shall be termed "Secretary-treasurer." The stockholders shall have the power at any regular or special stockholders' meeting regularly called in the man-

ner above provided, to remove any director or officer for cause and to fill the vacancy caused by such removal.

Sec. 7. Earnings—Reserve fund—Distribution.—“For the purposes of this act all earnings received by any such co-operative association resulting from the purchase and sale or handling of commodities, whether for the association or its members or patrons, or by withholding a portion of the proceeds payable to such members or patrons for their products for the purposes of the association, and all earnings resulting from commissions, assessments or dues collected from such members or patrons, or otherwise resulting from the operations of such association for and during its fiscal year, shall be considered and termed as “income.” From the amount of such income shall be deducted the costs of the operations of such association and in addition thereto there shall be a reasonable and adequate reserve for depreciation of physical properties and a reserve against other possible losses and it shall be the duty of the board of any such association to make provisions for such reserves for each fiscal year and the balance of such income shall be considered and termed as “gross income.”

“From the gross income of each fiscal year there shall be deducted an amount sufficient to pay interest for such year on the paid up capital of the association at such rate as may be determined by the board of directors or as may be fixed in the by-laws of the association and which shall not exceed eight per cent annually on the amount of the par value of such stock; also the directors of the association may deduct and set aside such amounts as may be required to provide for the erection of new or additional buildings or for additional machinery or equipment or to pay any indebtedness incurred for such purposes, and the balance of such gross income shall be considered and termed as “net income.”

“For the purpose of creating a reserve for permanent surplus, an association organized under this act may set aside all of its net income for its first and second fiscal years but at least ten per cent of the annual net income shall be so set aside for such purpose until such reserve for permanent surplus shall equal fifty per cent of the paid up capital and such reserve for permanent surplus may be fixed by the by-laws of the association at an amount equal to the paid up capital. In addition to such reserve for permanent surplus the directors of any such association may set aside a sum not to exceed five per cent of the annual net income of such association, which shall be used for the purposes of promoting and encouraging co-operative organization. After provisions shall have been made for such reserves required or permitted as above provided, the balance of such net income for any fiscal year shall be considered and termed as “undivided surplus” for such fiscal year and shall be available for distribution among the members of such co-operative association on the basis of patronage. The stockholders may provide in the by-laws of the association that non-member

patrons shall participate in the distribution of such undivided surplus upon equal terms with the member patrons, in which case the amount of patronage refund which shall be due to such non-member patrons shall be credited to their individual accounts and when such credits shall equal the value of a share of stock, a share of stock shall be issued to such non-member patron and he shall thereafter be entitled to the benefits of membership as a stockholder in such association if he is otherwise qualified and eligible for membership therein, and shall assume the responsibilities and obligations attached to such membership as set forth in the articles of incorporation and by-laws of the association.

"Patronage refunds from such undivided surplus to members or patrons or to both as the case may be, of a co-operative association, shall be based upon the consideration of the manner in which the income of such association shall accrue and the source from which the same shall be derived, which shall be stated in the by-laws of the association; and such refunds shall be proportionate to the quantity or value of the commodities handled and the contribution to such undivided surplus on the part of the member or patron as the case may be; or based upon the commissions, dues or assessments paid by the members or patrons, as the case may be, of such association. Distribution of such undivided surplus shall be made annually on the basis of patronage during the preceding fiscal year and the directors of such association shall present to the stockholders at their annual meeting a report covering the operations of the association during the preceding fiscal year, together with a financial statement of the resources and liabilities of the association and which shall indicate the amount of undivided surplus available for distribution as patronage refund.

"Interest shall be paid on the paid up capital only when the net income of the association for the previous fiscal year is sufficient and such interest shall not be cumulative. If the board of directors of any co-operative association organized under this act shall authorize the payment of interest on the paid up capital stock in exceed of 8% per annum or shall cause the income of such association to be apportioned or distributed in any other or different manner than, herein provided, such act shall be cause for the cancellation of the charter of such association, and the attorney general may in the name of the state commence and prosecute appropriate proceedings for the cancellation of such charter."

Section 8. Not to incur any promotion expense.—None of the funds of any association organized under this act shall be used, nor shall any of the capital stock of such association be issued or pledged, nor shall such association be permitted to incur any indebtedness in payment of any promotion of such association or for the payment of commissions, salaries or expenses of any kind, in connection with the promotion of such association; except that a sum not to exceed ten per cent (10%) of the par value of the cap-

ital stock sold may be used by *officers or committees* elected by the stockholders *to sell or solicit* the sale of stock or for hiring responsible solicitors for such purpose.

Section 9. Annual reports—Form of—Filing.—Every association organized under this act or under *other* corporation laws of this state, *or under the laws of any other state and doing business in this state or which represents itself to be a co-operative association*, shall be required to file with the department of agriculture each year a report of its business for its last fiscal year, which report shall be made *within sixty (60) days* after the close of the fiscal year. Such report shall contain the name of the association, the amount of its authorized and paid in capital, the names of its officers and directors, a statement of its resources and liabilities and such other information as may be required by the *Commissioner of Agriculture*.

Section 10. Associations heretofore organized may come under this act.—Any co-operative corporation or association heretofore organized and doing business under prior statutes of *this state, or under the laws of other states, or which has conducted its business upon the co-operative plan*, which retains the same *corporate* name or title, may come under the provisions of this act and be bound thereby upon *amending its articles of incorporation to conform to the requirements of this act* in the manner hereinafter provided for the adoption of amendments. *Any association in corporation under the laws of this state shall be required to submit such proposed amendments of the Attorney General for his examination and approval and upon the approval such association shall be entitled to proceed to so amend its articles of incorporation, as provided in Section 2 of this act.* Co-operative Associations organized under the laws of other states shall be required to amend their articles of incorporation, in the manner required by the laws of the state in which such association was incorporated, so as to comply with the provisions of this act subject to examination and approval by the Attorney General, as above provided, whereupon it shall be entitled to file a certified copy of its articles of incorporation and amendments thereto with the Secretary of State, subject to the fees and requirements prescribed by this Act, and such association shall henceforth be considered as a co-operative association in this state and subject to the provisions of this act. Provided that any co-operative association originally organized under the laws of another state, which has heretofore complied with the provisions of Section II, of said original act, and has received a certificate of incorporation from the Secretary of State of Minnesota, shall be, and it hereby is declared to be a *de jure* corporation under the provisions of this act without any further act by it or any officer of this state, and all acts of any such corporation heretofore had or taken as a Minnesota corporation are hereby in all things validated and confirmed.

Action may be taken by the stockholders of any association organized under this act or subject to its provisions to voluntarily terminate the business of such association, where upon it shall be the duty of the directors to proceed to liquidate the affairs of such association. Any association may dissolve and cease to exist as a corporation by proceeding under the provisions of Section 6636, General Statutes 1913, provided, however, that the stockholders of such association have had due and proper notice of such proposed dissolution and that a meeting of such stockholders shall be called, as provided in this act, at which all of the facts may be presented to such stockholders and upon such information they shall be given the opportunity of expressing themselves and taking action upon such proposed dissolution.

Sec. 11. Amending articles of incorporation.—The articles of incorporation of any association organized under this act or which may elect to come under the provisions of this act may be amended so as to change its corporate name or title, or so as to increase or diminish its capital stock or to change the number and par value of the shares of its capital stock, or in respect to any other matter which the original articles of incorporation of the same kind might lawfully have contained, in the following manner: The board of directors, by majority vote of its members may pass a resolution setting forth the full text of the proposed amendment and also the full text of such section or sections as may be repealed by such amendment. Upon such action by the board of directors, notice shall be mailed to each and every stockholder containing a copy of the resolution so adopted, the full text of the proposed amendment, and also the full text of such section or sections as may be repealed by such amendment. Such notice shall also designate the time and place of the meeting at which such proposed amendment shall be considered and voted upon, in the same manner as elsewhere provided in this act. If a quorum of the stockholders is registered as being present or represented by mail vote at such meeting a majority of the members so present or represented by mail vote, may adopt or reject such proposed amendment. In case such amendment is adopted, it shall be filed and recorded with the office in which the original articles of incorporation are filed or recorded, together with a copy of the resolution adopted by the board of directors, a copy of the notice given to stockholders and the certificate of the president and secretary verifying the action of the meeting at which such amendment was adopted.

Section 12 Companies excepted.—Existing laws relative to the incorporation and management of rural telephonestelephone companies and co-operative creameries, except as specifically repealed by section 13 of this act, shall remain in force and shall not be affected by any of the provisions of this act; provided, however, that any such rural telephone company or co-operative creamery organized under the provisions of existing laws may continue to operate there-

under until they shall come under the provisions of this act.

Section 13. Laws repealed.—Sections 6479, 6481, 6482, 6483, 6485, 6488, 6489, of Chapter 58 of the General Statutes of 1913, and amendments thereto, insofar as they conflict with the provisions of this act are hereby repealed *provided, however, that any corporation or association incorporated and operating under the provisions of the laws above specified shall continue to be governed thereby during the period of their corporate period or until they shall elect to come under the provisions of this act.*

Section 14. Application.—This statute shall be construed or considered as repealing or amending by implication or otherwise any existing law of this State except as herein stated and set forth, and no statute or law hereafter enacted in this state shall be considered or construed as amending or repealing this act by implication or otherwise, unless so provided in express language in such subsequent enactment.

Approved April 18, 1923.

CHAPTER 327—H. F. No. 15b.

An act relating to the foreclosure of mortgages covering real property within this state.

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

Section 1. Mortgages to be re-instated in certain cases.—That in any proceeding for the foreclosure of a real estate mortgage, whether by action or by advertisement, if at any time before the sale of the premises under such foreclosure, the mortgagor, the owner or any holder of any subsequent encumbrance or lien, or anyone for them, shall pay or cause to be paid to the holder of the mortgage so being foreclosed, or to the attorney foreclosing the same, or to the sheriff of the county, the amount actually due thereon and constituting the default actually existing in the conditions of said mortgage at the time of the commencement of such foreclosure proceedings, including insurance, delinquent taxes if any upon said premises, interest to date of payment, cost of publication and services of process or notices, Attorneys' fees not exceeding fifty (\$50.00) dollars, together with other lawful disbursements necessarily incurred, in connection with the proceedings by the party foreclosing, then and in that event said mortgage shall be fully reinstated and further proceedings in such foreclosure shall be thereupon abandoned.

Approved April 19, 1923.

CHAPTER 328—H. F. No. 211.

An act to amend Section 5481 of Chapter 44 of the General Statutes of 1913, as amended by Chapter 327, General Laws 1921,