

(c) It shall maintain unearned premiums and other reserves, separately for each kind of business upon the same basis as that required of domestic stock insurance companies transacting the same kind of business.

(d) Except as herein expressly provided, it shall comply with all the provisions of the laws of this state relating to the organization and internal management of mutual fire insurance companies insofar as the same may be applicable and not inconsistent herewith.

(e) All policies issued by such companies shall provide for a premium or premium deposit payable in cash, and except as herein provided, for a contingent liability of the members at least equal to the premium or premium deposit as adjusted by audit if any. If at any time the admitted assets are less than the reserves and other liabilities, the company shall immediately collect upon policies with a contingent liability a sufficient proportionate part thereof to restore such assets, and the commissioner may, when such deficiency does not exceed 10 per cent of its admitted assets, by written order direct that proceedings to restore such assets be deferred during the period of time fixed in such order. The contingent liabilities, if any, of the policyholders shall be plainly and legibly stated in every policy in terms of either dollars or premiums."

This act shall become effective on and after its passage.

Approved April 21, 1931.

CHAPTER 289—S. F. No. 1191

An act to amend Mason's Minnesota Statutes of 1927, Sections 1828-17, 1828-18, and 1828-19 relating to the incorporation of cities of the fourth class.

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

Section 1. Incorporation — petition — first election. — That Mason's Minnesota Statutes of 1927, Section 1828-17 be amended to read as follows:

"1828-17. That inhabitants of contiguous territory not organized as a city and having not less than one thousand (1000) inhabitants nor more than ten thousand (10,000) inhabitants, may become incorporated as a city of the Fourth Class as hereinafter provided:

(a). *A petition addressed to the County Board of the County in which the whole or the larger part of said territory is situated, whether all or part of such territory had been theretofore organized into one or more adjoining boroughs or villages, or not, which is signed by one-fourth of the number of legally qualified voters residing in the territory proposed to be incorporated as a city that voted in said territory at the last preceding general election for state officers, may be filed with the County Auditor of said County praying that a city of the Fourth Class be established in said territory, and that an election be called to determine whether or not such city shall be incorporated. Such petition shall set forth the metes and bounds of the proposed city and of the several wards thereof, and the population thereof, and the number of voters voting in said territory at the last general election for state officers. The residence of each signer shall be stated opposite the signature, but the signatures to the petition need not be appended to one paper. The petition shall be verified by the oaths of at least three of the petitioners, declaring the statements made in the petition to be true. In addition thereto the petitioner procuring the signatures to each paper and petition shall make an oath before a person competent to administer oaths, that each signature is the genuine signature of the elector whose name purports to be thereto subscribed, and that each signer is an elector duly qualified to vote within the territory designated in the petition as the territory proposed to be incorporated as a city of the Fourth Class.*

(b). *If it shall appear that such petition is in due form, complies with the provisions hereof, and is signed by the proper number of electors residing in the territory sought to be incorporated in the proposed city, of which latter fact the affidavit of the petitioners procuring signatures on such paper and petition shall be Prima facie evidence, the County Board shall adopt a resolution approving said petition and in said resolution shall designate the time and place of holding a special election upon said proposition, which election shall take place not less than 30 days nor more than 40 days from the time of presenting and filing said petition with the County Auditor; and the County Board in said resolution shall specify the location of the polling place in each ward, and that*

the polls will be open from 8 A. M. to 8 P. M., and shall prescribe a form of notice of such special election, a copy of which shall be attached to the resolution, in which notice shall be stated the time of such special election, the location of the polling place in each ward, the hours during which the polls shall be open, together with a statement of the question to be voted upon. Thereupon the County Auditor shall cause a copy of said petition, resolution and notice to be posted in at least five conspicuous places in said proposed city, at least 20 days prior to the date of such election, and shall cause said notice to be published in some legal newspaper published in the proposed city at least once each week for two consecutive weeks prior thereto, and if there be no newspaper published therein, then in a newspaper published in the same county.

(c). The County Board in its resolution shall also name three legally qualified voters residing in said proposed city, but not more than one from a single ward if there be three or more wards, who shall act as Inspectors of Election, who shall supervise the holding of said election and conduct the same in accordance with the laws applicable to the election of village officers in such territory. The County Board in its resolution shall also name and appoint three judges and two clerks of election for each ward who shall be legally qualified voters residing within the proposed city. They shall perform the duties of judges and clerks of election prescribed by the general election laws. When the polls have been closed they shall correctly count and record the results of the election, tabulating the same and delivering said results and tabulations to the Inspectors of Election. Thereupon the Inspectors of Election shall canvass the results of election and forthwith make and file with the County Auditor a certificate declaring the time and place of the holding of the election, that they have canvassed the ballots cast thereat, and the number cast, both for and against said proposition, and the final results thereof. The certificate shall be signed and verified by at least two of said inspectors to the effect that statements thereof are true. The inspectors shall preserve all ballots, tally sheets, and tabulations pertaining to said election, and forward the same in sealed containers to the County Auditor as soon after said election as conveniently may be to be by him kept according to law.

(d). At such special election only the proposition of incorporation of the proposed city shall be submitted to the voters for acceptance or rejection. The ballots shall bear the words "For

Incorporation of the City of _____, Yes—No,” with a square after each of the last two words, in one of which the voter may make a cross to express his choice. In the blank space shall be printed the name of the proposed city. Only voters having complied with the laws applicable to voting in the territory where they reside shall have the right to vote.

(e). *The County Auditor shall attach said certificate of Inspectors of Election to the original petition, with a copy of the resolution of the County Board, and notice calling the election and naming the officers of election, and the original proofs of posting and publishing of the election notice, and file the whole as one document in his office. If the certificate shall show that three-fifths of the votes cast on the proposition were in the affirmative, he shall forthwith make and transmit to the Secretary of State a certified copy of said document to be filed there as a public document.*

Sec. 2. Corporate powers in general.—That Mason’s Minnesota Statutes of 1927, Section 1828-18 be amended to read as follows:

“1828-18. Upon *filing* of the petition aforesaid, with the Secretary of State as aforesaid, the inhabitants within the metes and bounds therein described shall thenceforth be a bodypolitic and coporate subject to and with the power to act under the authority of all the provisions of this act. They shall have power to sue and be sued, complain and defend in any court; make and use a common seal and alter it at pleasure; and take hold and purchase, lease and convey such real and personal or mixed estate as the purpose of the corporation may require; within or without the limits aforesaid; shall be capable of contracting and being contracted with; and shall have the general powers possessed by municipal corporations at common law, and in addition thereto shall possess the powers hereinafter specifically granted and shall have and possess all the powers granted and applicable to cities of the Fourth Class not existing or operating under a Charter adopted in pursuance of Section 36, Article 4, of the Constitution of the State of Minnesota, or a special Charter, and the authorities thereof shall have perpetual succession.

Sec. 3. First election.—That Mason’s Minnesota Statutes of 1927, Section 1828-19 be amended to read as follows.

“1828-19. *Within 15 days after the completion of the incorporation of such city as aforesaid the County Board shall by*

resolution designate the time and place of holding the first election of officers therein, which shall be not less than 30 days or more than 40 days after filing of the incorporation papers with the Secretary of State. The County Board shall in the same resolution appoint three judges and two clerks of election for each ward, who shall be legally qualified voters residing in their respective wards, and in addition thereto shall appoint three legally qualified voters in said city, but not more than one from each ward thereof, if there be three or more wards, who shall conduct the said first election of officers in said city and who shall be the inspectors thereof, and shall take the usual oath or affirmation as prescribed in the general laws of the State to be taken by the judges and inspectors of elections, and shall have the power to administer the necessary oaths; and the persons so named as inspectors of the elections, shall hold and conduct the same in the manner and under the same penalties as provided by the laws of this state regarding elections and shall have power to fill vacancies in the board of inspectors, and among the judges and clerks of election.

When said city election is closed and the number of votes for each person voted for shall have been counted and ascertained, the judge and clerks of election shall make return thereof stating the number of votes for each person for each and every office and shall deliver or cause to be delivered such returns to one of the said inspectors within two (2) days after such election, and the said inspectors, (or a majority thereof) shall meet and canvass said returns and declare the result within one (1) day thereafter. The inspectors canvassing said returns and declaring the result shall forthwith notify the officers elected of their election by written notice served upon such officers in person or left at their usual place of abode with some person of suitable age and discretion."

Approved April 21, 1931.

CHAPTER 290—S. F. No. 1325

An act to amend Mason's Minnesota Statutes of 1927, Section 1618, Section 1619, and Section 1620, Subdivision Fourth, authorizing cities of the first class to designate and establish restricted