

**COMMERCIAL AND POLICE REGULATIONS****CORPORATIONS****CHAPTER 300****GENERAL PROVISIONS**

NOTE: Mason's compilation of 1927, as amended, carried the subject of corporations in chapter 58. When Minnesota adopted the present system of numbering, the legislature adopted a classification placing each class of corporations in separate chapters from 300 to 316.

Chapter 300 is residue after the creation of chapters 301 and 317 and is badly in need of revision. At present banking and old line insurance corporations are organized under section 300.025. While chapter 300 purports to contain general provisions relating to corporations, it must be kept in mind that the following sections are in no way applicable to chapters 301 and 317; sections 300.12, 300.14 to 300.17; 300.19 to 300.24; 300.26 to 300.35; 300.37 to 300.45; 300.52 to 300.55; 300.57 to 300.58; 300.62; 300.64; 300.65. The first paragraph of section 300.13 has been superseded by the Stock Transfer Act and the last paragraph is obsolete.

Chapter 301 is a complete revision based upon Laws 1933, Chapter 300, prepared by a bar association committee, under the chairmanship of Mr. Pliny L. Solether, kept up to date by numerous amendments.

Chapter 302 is the Uniform Stock Transfer Act, adopted by Alaska, District of Columbia, and every state except Iowa, Kansas, and Vermont. For decisions in other states, see Uniform Laws Annotated, Volume VI.

Chapter 303 is the Minnesota Foreign Corporation Act, originating with Laws 1935, Chapter 200.

Chapters 304 and 305 have been repealed.

Chapters 306 and 307 deal with cemeteries, and a state bar association committee, assisted by Prof. Robert C. McClure, is presently engaged in the work of revision.

Chapter 308 deals with co-operative associations, and a state bar association committee, of which Mr. Donald A. Holmes is chairman, is studying a revision.

Chapter 309 deals with social and charitable corporations which have so far declined to come under the Nonprofit Corporation Act.

Chapters 310, 311, 312, 313, 314, have been repealed.

Chapter 315 deals with religious associations which have so far declined to come under the Nonprofit Corporation Act.

Chapter 316 deals with actions respecting corporations.

Chapter 317 is based upon Laws 1951, Chapter 550, prepared by the state bar association committee, of which Mr. Donald A. Holmes, is chairman.

**300.01 EXISTING CORPORATIONS CONTINUED**

NOTE: As to the applicability of certain sections of chapter 300 to nonprofit corporations, see section 317.68.

The territorial legislature, in incorporating the grand lodge, provided that the grand lodge "shall be established in St. Paul" and prohibited bylaws in conflict with the incorporating act. To establish the lodge elsewhere would require an amendment of the articles by an act of the legislature. OAG Jan. 11, 1949 (92-A-7).

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### 300.02 DEFINITIONS

A charter granted by Laws 1854, Chapter 37, or similar laws prior to 1905, cannot be amended under the provisions of section 300.02 or section 300.45. If a change in the charter is desired the organization and its members must assent to the change and obtain an act of the legislature. The phrase "certificate of incorporation" found in section 300.45 is equivalent to "articles of incorporation." OAG June 13, 1947 (92-A-7).

### 300.025 ORGANIZATION; CERTIFICATE

HISTORY. 1858 c 69 s 11; PS 1859 c 124 s 11; 1863 c 58 s 1; 1865 c 6 s 2; GS 1866 c 33 s 11; GS 1866 c 34 s 3, 55; 1867 c 21 s 2; 1873 c 11 s 3; 1874 c 60 s 1; 1875 c 17 s 1; 1878 c 33 s 11; GS 1878 c 34 s 3, 122, 167, 185; 1879 c 8 s 1; 1881 c 75 s 2; 1881 c 77 s 2; GS 1894 s 2491, 2594, 2807, 2914, 2976; RL 1905 s 2849; 1907 c 468 s 1; GS 1913 s 6147; 1919 c 111 s 1; GS 1923 s 7443; MS 1927 s 7443; 1933 c 300 s 62; 1951 c 550 s 69.

Venue; conclusiveness of statement in articles of incorporation as to residence. 32 MLR 823.

### 300.026 CREATION, SPECIAL ACT; TRUSTEES, DIRECTORS; SELECTION

HISTORY. 1951 c 656 s 1-3.

### 300.03 PUBLIC SERVICE CORPORATIONS; PURPOSES

Under the provisions of section 308.33, now repealed, articles were executed by the signing of the incorporators and no acknowledgement was necessary. The register of deeds may refuse to record a certified copy. OAG June 31, 1947 (373-B-8).

A village council is not required to exercise the authority conveyed upon it to erect a light plant, the vote being taken under the provisions of section 457.01. If such authority is exercised it must be exercised within a reasonable time, and what is a reasonable time is a question of fact. Where a utility franchise has expired and the municipality permits service to be continued, the utility may continue without any personal franchise. OAG March 2, 1950 (624-C-6).

A city operating a lighting utility is not vested with a monopoly free from legitimate competition. A power company is not required to obtain a franchise from the city in order to sell current to a local industry. OAG Feb. 27, 1952 (624-C-6).

### 300.04. STATE AND LOCAL CONTROL; EMINENT DOMAIN

HISTORY. 1858 c 55 s 1; PS 1858 c 17 s 299; 1865 c 6 s 5; GS 1866 c 34 s 1, 13; 1875 c 16 s 1; GS 1878 c 34 s 1, 13, 107; 1885 c 18; 1887 c 161; 1889 c 221; 1893 c 74 s 1; GS 1894 s 2592, 2604, 2619; 1895 c 19; RL 1905 s 2842; GS 1913 s 6137; GS 1923 s 7433; MS 1927 s 7433.

Although lands may not be taken by eminent domain unless such taking appears to be necessary, it is well settled in Minnesota that there need be no showing of absolute or indispensable necessity, but only that the proposed taking is reasonably necessary or convenient for the furtherance of the end in view. This rule of reasonable necessity or convenience is made expressly applicable to a public service corporation which, in the exercise of the right of eminent domain for the furtherance of its corporate public purpose, is required by section 117.07 to establish that its proposed taking of the land is necessary. Northern States Power Co. v Oslund, 236 M 135, 51 NW(2d) 808.

The federal power commission lacks power under the National Gas Act to make findings as to the reasonableness of past rates for transportation of natural gas. McClellan v Montana-Dakota Utilities Co., 104 F. Supp. 46.

Where a franchise is granted to a power corporation for 20 years and the rates to be charged by the corporation are fixed only for a 10-year period and no provision is made for the determination of new rates past that 10-year period, the corporation may fix its own rates subject to the limitation that they must be reasonable. Such a

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franchise making no provision for fixed rates past the first 10 years is not void as against public policy. OAG Sept. 26, 1951 (624-C-6).

The power of a village to contract with a public service corporation for furnishing electrical energy to a village and inhabitants does not especially include the power to regulate rates, but regulation of rates may be reserved in the contract. Bids need not be called for by the village before granting a contract involving franchise and rates. OAG April 25, 1950 (624-C-11).

### 300.05 MUNICIPALITY MAY PURCHASE

Upon the expiration of a franchise the city may acquire the property but, if the ordinance of the city is inconsistent with the charter and statutes, the procedure set forth in the ordinance may be disregarded. The proceedings for the acquirement of the public utility must be in accordance with the charter and the statutes. Bonds issued to obtain the money to pay the cost of acquisition must be within the provisions of section 475.52 et al. OAG May 18, 1950 (624-B-2).

A village desiring to take over a municipal light and gas plant from a company owning a franchise must do so under the provisions of section 117.20, the Act being entitled, "In the matter of condemnation of, etc." The petition for condemnation should not be filed until the village council has been empowered to institute such proceedings. The village through condemnation proceedings would not acquire any rights the existing company has under contract with the natural gas distributor but the village must make its own contract with the distributor. Under the provisions of section 300.05 the vote to acquire such property "shall be taken at a special election called for that purpose." OAG March 31, 1950 (624-C-6).

Where on Aug. 7, 1945, the village passed an ordinance granting to a gas company a non-exclusive franchise for 25 years to maintain and operate a gas distribution system for the sale of gas within the village, and reserved the right to acquire the property at any five-year period from the effective date of the franchise when authorized to do so by a two-thirds majority of the votes cast upon the question of acquisition, the granting of the franchise was a contract and the village is bound by the provisions of section 300.05 and may not proceed to acquire the property under the provisions of section 412.321 which requires approval of only five-eighths of those voting. OAG May 22, 1950 (624-C-6).

### 300.07 PUBLICATION OF CERTIFICATE

HISTORY. 1858 c 65 s 2; PS 1858 c 17 s 300; 1865 c 6 s 2; GS 1866 c 34 s 3; 1874 c 60 s 1; GS 1878 c 34 s 3; GS 1894 s 2594; 1901 c 99; RL 1905 s 2851; GS 1913 s 6149; GS 1923 s 7445; MS 1927 s 7445.

### 300.08 GENERAL POWERS

HISTORY. 1858 c 55 s 4; PS 1858 c 17 s 302; 1860 c 24 s 2; 1865 c 6 s 3; GS 1866 c 34 s 4, 45, 163; 1867 c 18 s 2; 1867 c 71; 1873 c 11 s 1; 1873 c 12 s 1; 1876 c 28 s 1; 1878 c 10 s 1; GS 1878 c 34 s 4, 109, 120, 144, 412; 1881 c 27 s 1; 1885 c 9; 1887 c 49; 1891 c 71 s 1; GS 1894 s 2594, 2595, 2805, 2827, 3415; RL 1905 s 2844, 2852, 2853; GS 1913 s 6139, 6151, 6153; GS 1923 s 7435, 7447, 7452; MS 1927 s 7435, 7447, 7452.

Right of corporation to remuneration received by shareholder in out-of-court settlement of a derivative suit. 32 MLR 180.

In a representative suit by a stockholder in behalf of his corporation, real controversy is between the corporation and the officers, whose acts are complained of. The corporation is the beneficial plaintiff, even though it is made a defendant, while the stockholder bringing the action is merely the representative party so far as the corporation is concerned. Consequently, plaintiff must plead facts which would justify recovery if the corporation itself were bringing the suit. Stripped of its irrelevant and ineffective allegations, and assuming the truth of such facts as are well pleaded in the complaint, the appellate court takes the view that it could not sustain a finding of fraud based solely on the disparity between the "book value" and "market value" at which the stock in question was sold. Nor could it sustain a finding of dishonesty grounded on the determination to sell the stock at the market instead of holding it for a liquidating dividend. Warner v Warner, 226 M 565, 33 NW(2d) 721.

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## 300.081 CORPORATIONS, GENERAL PROVISIONS

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### 300.081 MEDICAL EXPENSES; INSURANCE; PENSIONS

HISTORY. 1947 c 446 s 1, 2.

Deductibility of employer contributions to employee benefit plans. 37 MLR 126.

Laws 1947, Chapter 446, Sections 1, 2, does not repeal sections 63.36 or 63.37. Corporations established under section 300.081 should comply with existing laws. OAG May 26, 1947 (249-B-9-H).

### 300.09 PROPERTY; SALE, LEASE, EXCHANGE

HISTORY. 1925 c 320 s 1; Mason's 1927 s 7447-1; 1933 c 300 s 62; 1951 c 550 s 70; 1953 c 650 s 21.

A co-operative association may sell all property upon the written consent of two-thirds of the holders of the voting stock therein. OAG Aug. 1, 1952 (93-A-47).

### 300.12 BYLAWS; STATEMENTS

HISTORY. RS 1851 c 42 s 2; 1858 c 55 s 1, 3, 12; PS 1858 c 17 s 299, 301, 310, 311; GS 1866 c 34 s 1, 2, 6, 7, 155; 1870 c 26 s 2; 1875 c 14 s 1; GS 1878 c 34 s 1, 2, 6, 7, 404; 1881 c 15 s 1; 1885 c 18; 1887 c 161; 1889 c 221; 1893 c 74 s 1; GS 1894 s 2592, 2593, 2597, 2598, 3407; RL 1905 s 2854, 2855; GS 1913 s 6154, 6155; GS 1923 s 7453, 7454; MS 1927 s 7453, 7454.

The Minnesota federation of county fairs is a body corporate and has the power at any annual meeting of the federation to amend its bylaws. OAG Aug. 10, 1949 (92-A-2).

The territorial legislative enactment provided that the grand lodge "shall be established at St. Paul" and prohibited bylaws in conflict with the act. The grand lodge cannot move from St. Paul by amending its bylaws and if it desires to remove to some other part of the state it must obtain an amendment of its articles by an act of the legislature. OAG Jan. 11, 1949 (92-A-7).

### 300.13 CORPORATE EXISTENCE; DURATION, RENEWAL

HISTORY. 1858 c 54 s 9; PS 1858 c 17 s 307; 1860 c 24 s 3; GS 1866 c 34 s 5, 52; 1875 c 14 s 2; GS 1878 c 34 s 5, 117; 1889 c 237 s 1; GS 1894 s 2596, 2802; 1901 c 207; RL 1905 s 2856, 2857; 1907 c 468 s 2; GS 1913 s 6156, 6157; 1921 c 39 s 1; GS 1923 s 7455, 7456; 1933 c 189; 1933 c 300 s 62; 1945 c 509 s 1; 1951 c 550 s 71.

Laws 1945, Chapter 509, provides that all nonprofit corporations shall have perpetual existence unless their duration is specifically limited in the certificate of incorporation. Where the certificate sets a fixed period of duration, the corporation may be made perpetual by amending its certificate of incorporation. 32 MLR 373.

A co-operative association organized under the provisions of sections 308.01 et seq. may renew its corporate existence for a period of 20 years. It is authorized to do so under the provisions of Laws 1935, Chapter 116. Renewal may be accomplished by a resolution in conformity with the provisions of section 300.13. OAG May 14, 1947 (93-A-8).

### 300.131 PERPETUAL CORPORATE EXISTENCE FOR INSURANCE COMPANIES

Perpetual existence of insurance corporations. 31 MLR 41.

### 300.14 CERTAIN CORPORATIONS

HISTORY. 1927 c 328 s 1; 1927 c 385 s 1; MS 1927 s 7457-12; 1951 c 550 s 72; 1953 c 650 s 22.

Consolidation of co-operative associations is governed by sections 300.14 to 300.19. OAG Nov. 1, 1951 (93-A-29).

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## **300.15 POWERS, RIGHTS, LIABILITIES, AND DUTIES OF CONSOLIDATED CORPORATION**

HISTORY. 1927 c 328 s 2; 1927 c 385 s 2.

## **300.16 DISSENTING STOCKHOLDERS; RIGHTS, HOW DETERMINED**

HISTORY. 1927 c 328 s 3; 1927 c 385 s 3.

## **300.17 LIABILITIES OF CORPORATIONS, STOCKHOLDERS, AND OFFICERS; RIGHTS OF CREDITORS**

HISTORY. 1927 c 328 s 5; 1927 c 385 s 5.

## **300.18 CAPITAL STOCK OF CONSOLIDATED CORPORATION**

HISTORY. 1927 c 328 s 6; 1927 c 385 s 6.

## **300.19 FILING FEE**

HISTORY. 1927 c 328 s 7; 1927 c 385 s 7.

## **300.20 BOARD OF DIRECTORS, ELECTION; VACANCY, HOW FILLED**

HISTORY. 1858 c 55 s 2; PS 1858 c 17 s 300; 1865 c 6 s 2; GS 1866 c 34 s 3; 1874 c 60 s 1; GS 1878 c 34 s 3; 1879 c 109 s 3; GS 1878 Vol 2 (1888 Supp) c 33 s 69; GS 1894 s 2539, 2594; RL 1905 s 2858; GS 1913 s 6171; 1919 c 311 s 1; GS 1923 s 7458; MS 1927 s 7458; 1941 c 148 s 1.

Vacancies in board of directors, delegation of authority to directors to fill the vacancy. 33 MLR 186.

Directors have duties to perform to the best of their judgement, and a director cannot abdicate or bargain away in advance the exercise of his discretion in the control of the corporation; nor can he be controlled by others in the exercise of his powers and duties as director. *Ray v Homewood Hospital*, 223 M 440, 27 NW(2d) 409.

The board of directors of a corporation has power to manage the corporation and the general manager must obey an order from the directors if the order is at all reasonable. *Mair v Southern Minnesota Broadcasting Co.*, 226 M 137, 32 NW(2d) 177.

## **300.21 OFFICERS**

HISTORY. Amended, 1949 c 36 s 1.

Laws 1951, Chapter 36, amending section 300.21, authorizes corporations to choose a president of the organization without also imposing upon them the duties of director or trustee. 35 MLR 47.

## **300.22 CLASSIFICATION OF MANAGERS**

HISTORY. RS 1851 c 42 s 1; PS 1858 c 17 s 339; GS 1866 c 34 s 155; 1870 c 26 s 2; GS 1878 c 34 s 404; 1881 c 15 s 1; GS 1894 s 3407; RL 1905 s 2860; GS 1913 s 6173; GS 1923 s 7460; MS 1927 s 7460.

## **300.23 VOTING, HOW REGULATED**

HISTORY. RS 1851 c 42 s 2; PS 1858 c 17 s 340; GS 1866 c 34 s 160; GS 1878 c 34 s 409; GS 1894 s 3412; RL 1905 s 2861; GS 1913 s 6174; GS 1923 s 7461; MS 1927 s 7461.

## **300.25 TRANSFER OF STOCK**

HISTORY. 1858 c 55 s 20; PS 1858 c 17 s 318; 1860 c 24 s 14; GS 1866 c 34 s 8, 49; 1873 c 11 s 16; 1876 c 28 s 6; GS 1878 c 34 s 8, 114, 135, 149; 1883 c 107 s 12; GS 1878 Vol 2 (1888 Supp) c 34 s 442; GS 1894 s 2599, 2799, 2819, 2832; RL 1905 s 2863; GS 1913 s 6176; GS 1923 s 7463; MS 1927 s 7463; 1933 c 300 s 62.

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Equal owners of the corporate stock are governed by rules similar to partners in business and the highest standard of integrity and good faith is required of each in his dealings with the other. Fraud by one partner in making representations to the other which induced him to sell his stock for an inadequate price was actionable. *Fewell v Tappan*, 223 M 483, 27 NW(2d) 648.

Under the Uniform Stock Transfer Act buyers of stock in a corporation for value in good faith are protected against infirmities in a certificate of stock of which they had no notice. Where a bylaw of a corporation contained a restriction on the sale or transfer of its shares of stock, and where a certificate of stock was purchased which did not have the restrictions stated upon it, in violation of section 302.16, under the facts in this case the question whether the purchaser was a purchaser for value in good faith, without notice of the restriction, was immaterial. *Costello v Farrell*, 234 M 453, 48 NW(2d) 557.

### 300.27 STOCKHOLDERS, LIABILITIES

Where no act or action has been taken by or on behalf of a proposed corporation, a statute imposing personal liability for corporate debts on stockholders, if corporation fails to comply substantially with provisions as to organization and publicity, was not applicable. *Halvorson v Geurkink*, ..... M ....., 56 NW(2d) 793.

A stockholder of a cooperative association is not ordinarily subject to unlimited liability, and creditors of a cooperative association do not ordinarily have records against its stockholders. This section governs the liability of stockholders of cooperative associations. OAG Jan. 31, 1952 (93-A-39).

### 300.32 RECORD OF STOCK; REPORTS; DIVIDENDS

A county agricultural society, organized in 1914 under the laws relating to business corporations, having stock, may not refund money realized on a former assessment to the stockholders who then paid the same; but the corporation, its debts being paid, may declare a dividend to be distributed among the present stockholders. OAG Feb. 24, 1949 (772-A-5).

### 300.323 PRINCIPAL, INCOME; ALLOCATION

HISTORY. 1951 c 79 s 1-6.

Under GS 1913, sections 6185, 6193, (coded as sections 300.45 and 300.54), in force prior to the enactment of the business corporation act, providing that (a) a corporation may amend its articles of incorporation so as to increase or decrease its capital stock, to change the number and par value of the shares of the capital stock, or in respect to any other matter which an original certificate of a corporation of the same kind might lawfully have contained, and (b) a corporation by its original articles of incorporation or amendment thereof may issue preferred and common stock and give such preference as it deems best to such preferred stock, a corporation organized and amending its articles of incorporation when such statutes were in force has the power as against a non-assenting preferred stockholder to amend its articles of incorporation so as to substitute for cumulative preferred stock having a par value and entitled to dividends at a stipulated rate new noncumulative preferred stock having less par value and entitled to dividends at a lesser rate. *Sherman v Pepin Pickling Co.*, 230 M 87, 41 NW(2d) 572.

### 300.45 CERTIFICATES OF INCORPORATION, AMENDMENT, EXCEPTIONS

HISTORY. 1858 c 55 s 4; PS 1858 c 17 s 302; 1865 c 6 s 3, 25; GS 1866 c 34 s 4, 42; 1873 c 12 s 1; GS 1878 c 34 s 4, 79; 1883 c 5 s 1; 1885 c 9; GS 1894 s 2595, 2738; 1895 c 38; 1902 c 9; RL 1905 s 2871; 1913 c 247 s 1; GS 1913 s 6185; 1917 c 404 s 1; 1923 c 405 s 1; GS 1923 s 7472; 1927 c 293; MS 1927 s 7472; 1929 c 275; 1951 c 550 s 73; 1953 c 650 s 23.

A statute providing for augmentation of firemen's relief association special funds by the imposition of a surcharge of two percent of the premium upon fire insurance policies, even if surcharge be treated as tax upon property insured there

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is no discrimination in favor of self-insurers, since insured property benefits directly and immediately in measurable way from improvements in fire departments, and, as result of those improvements and because of more efficient fire departments, premiums on insurance policies are reduced in considerable amounts. *Hassler v Engberg*, 233 M 487, 48 NW(2d) 344.

### **300.46 NONPROFIT CORPORATIONS; TRUSTEES**

HISTORY. Amended, 1951 c 550 s 74.

**300.47, 300.48** Repealed, 1951 c 550 s 78.

### **300.49 FILING FEES**

Nonprofit corporations organized under Laws 1951, Chapter 550, are not required to pay filing fees to the state treasurer. OAG Aug. 10, 1951 (92-A-30).

**300.50** Repealed, 1951 c 550 s 78.

### **300.52 MEETINGS**

HISTORY. RS 1851 c 42 s 3, 4, 6; PS 1858 c 17 s 341, 342, 344; GS 1866 c 34 s 156, 157, 158; 1873 c 11 s 4; 1878 c 28 s 1; GS 1878 c 34 s 123, 405-407; GS 1894 s 2808, 3408-3410; RL 1905 s 2875, 2876; GS 1913 s 6190, 6191; GS 1923 s 7477, 7478; MS 1927 s 7477, 7478.

### **300.53 IRREGULAR MEETINGS, HOW VALIDATED**

HISTORY. RS 1851 c 42 s 5; PS 1858 c 17 s 343; GS 1866 c 34 s 159; GS 1878 c 34 s 408; GS 1894 s 3411; RL 1905 s 2877; GS 1913 s 6192; GS 1923 s 7479; MS 1927 s 7479.

### **300.54 CAPITAL STOCK; HOW CLASSIFIED AND ISSUED**

Under GS 1913, sections 6185 and 6193, (now coded as 300.45 and 300.54), in force prior to the enactment of the Business Corporation Act, and providing that (a) a corporation may amend its articles of incorporation so as to increase or decrease its capital stock, to change the number and par value of the shares of the capital stock, or in respect to any other matter which an original certificate of a corporation of the same kind might lawfully have contained, and (b) a corporation by its original articles of incorporation or amendment thereof may issue preferred and common stock and give such preference as it deems best to such preferred stock, a corporation organized and amending its articles of incorporation when such statutes were in force has the power as against nonassenting preferred stockholder to amend its articles of incorporation so as to substitute for cumulative preferred stock having a par value and entitled to dividends at a stipulated rate new noncumulative preferred stock having less par value and entitled to dividends at a lesser rate. *Sherman v Pepin Pickling Co.*, 230 M 87, 41 NW(2d) 572.

### **300.58 DISSOLUTION OF CORPORATIONS; EXCEPTIONS**

HISTORY. GS 1866 c 34 s 166; GS 1878 c 34 s 415; 1887 c 70 s 1; GS 1894 s 3430; RL 1905 s 2882; Mason's 1927 s 7484; 1951 c 550 s 75; 1953 c 650 s 24.

### **300.59 CONTINUANCE TO CLOSE AFFAIRS; EXCEPTIONS**

HISTORY. RS 1851 c 42 s 8; PS 1858 c 17 s 346; GS 1866 c 34 s 167; GS 1878 c 34 s 416; GS 1894 s 3431; RL 1905 s 2883; GS 1913 s 6198; GS 1923 s 7485; MS 1927 s 7485; 1951 c 550 s 76; 1953 c 550 s 25.

Dissolution of a foreign corporation in the state of its domicile as notice in Minnesota; defects in title protected by recording act. 32 MLR 514.

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### 300.60 DIVERSION OF CORPORATE PROPERTY A FELONY

NOTE: As to domestic nonprofit corporations, see section 317.68.

### 300.62 EXISTING CORPORATION, HOW TO REORGANIZE

HISTORY. 1857 c 39 s 12; PS 1858 c 129 s 12; 1865 c 6 s 5; GS 1866 c 34 s 12; GS 1878 c 34 s 12; GS 1894 s 2603; RL 1905 s 2886; GS 1913 s 6204; GS 1923 s 7491; MS 1927 s 7491.

### 300.63 ATTORNEY GENERAL TO EXAMINE

HISTORY. RS 1851 c 42 s 22; PS 1858 c 17 s 360; GS 1866 c 34 s 172; GS 1878 c 34 s 421; GS 1894 s 3436; RL 1905 s 2887; GS 1913 s 6205; GS 1923 s 7492; MS 1927 s 7492.

NOTE: Nonprofit domestic corporations. See section 317.68.

### 300.66 CONTRIBUTIONS BY CORPORATIONS

HISTORY. Amended, 1949 c 156 s 1.

A mutual savings bank may contribute to a community chest and make contributions for other uses set out in Laws 1949, Chapter 156, Section 2. OAG Oct. 6, 1949 (30-K).

### 300.67 DECLARATION OF POLICIES

HISTORY. 1949 c 156 s 2.

A mutual savings bank may contribute to a community chest and make contributions for other uses set out in Laws 1949, Chapter 156. OAG Oct. 6, 1949 (30-K).

### 300.68 NOT TO INVALIDATE PRIOR GIFTS

HISTORY. 1949 c 156 s 3.

## CHAPTER 301

### BUSINESS CORPORATIONS ACT

NOTE: There is no Uniform Business Corporation Act. The National Conference of Commissioners on Uniform State Laws, in 1928, approved a model business corporation act which has been used as the basis for many of the acts now on the statute books of various states.

The first complete revision of the business laws of Minnesota is found in Revised Statutes 1866, Chapter 34. Messrs. Gordon E. Cole, E. C. Palmer, S. J. R. McMillan, and Thomas Wilson, were the revision commissioners.

The commission created a very workable law intended to invite capital and new business to incorporate under its liberal provisions; but capital was still reluctant to incorporate in Minnesota because of Minnesota Constitution, Article X, Section 3, imposing a double liability on stockholders. This hazard was removed by the amendment adopted Nov. 4, 1930, which permitted stockholders liability to be regulated by the legislature.

The organized Bar of the state, by a committee of which Joseph H. Colman was chairman, at once formulated a bill which, when enacted as Laws 1933, Chapter 300, became the basis for our present Business Corporation Act, coded as Chapter 301 of the 1953 Statutes.