

expenses of judges of the supreme court, therefore, this act shall take effect and be in force from and after its passage and approval.

Approved March 19, 1903.

SURETY AND TRUST COMPANIES.

CHAPTER 195, [H. B. No. 33—Buttz.]

REGULATING SURETY AND TRUST COMPANIES.

AN ACT to Amend Section 3258f, 3258m and 3258p of the Revised Codes, Relating to the Control, Management and Powers of Surety and Trust Companies.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That section 3258f of the revised codes, be and the same is hereby amended to read as follows:

§ 3258f. CORPORATE POWERS.] Every corporation organized under the provisions of this chapter, and qualified as provided by section 3258c, shall have all the general powers and privileges of corporations generally as heretofore or hereafter provided by the general laws of the state of North Dakota, and in addition thereto, and without being required to further qualify under the laws relating to banking and insurance corporations, except as in this chapter provided, shall have special power and authority:

1. To acquire, lease, purchase, own, hold, use and improve, mortgage, lease, sell and convey such real estate and personal property as may be necessary for the convenient transaction of its business, and for the use and occupation of its officers, agents and employes, and the safe keeping and investment of its assets, deposits and property held in trust. Any estate or interest in real estate which such corporation shall acquire under and by virtue of the foreclosure of any deed of trust, mortgage, or other security, or by the compromise, compounding or settlement of any obligation or security, or otherwise, in the course of its legitimate business, whether as owner or trustee, it may continue to own, hold, use, occupy, lease, bargain, sell and convey the same, as the directors may deem best for the interests of such company, or of the particular estate or trust to which the same belongs; and to that end, it may become a purchaser at any foreclosure sale, or sale under decree or judgment, to which it as a party, as trustee or otherwise. But no part of its capital, accumulations, deposits, trust funds, property or security owned or held by such company, in trust or otherwise, shall be invested in real estate,

except as herein authorized, unless same is done under and by virtue of a particular contract, agreement or instrument, or order, judgment or decree of court, which shall confer a special power or authority so to do, and then only with or to the extent of the moneys or funds thereby provided, and belonging to such particular trust; and for the general transaction of its business, to make and deliver, and in like manner accept and receive all necessary and proper deeds, conveyances, mortgages, leases and other contracts and writings obligatory, and to have and exercise all necessary rights, franchises, muniments, estates, powers and privileges necessary to that end; and such corporation is authorized to loan money and funds and secure such loans by mortgage; and shall have the power to purchase notes, bonds, mortgages and other evidences of indebtedness, and other securities, and to convert the same into cash and into other securities.

2. To take, accept and hold by the order, judgment and decree of any court of record in this state, or of any other state, or of the United States, or by gift, grant, assignment, transfer, devise, legacy or request [bequest] from or with any public or private corporation, or persons whomsoever, any real estate or personal property upon trusts created in accordance with, or which shall not conflict with the laws of this state, or of the United States, and to execute and perform any and all such legal and lawful trusts in regard to the same, upon the terms, conditions, limitations and restrictions, which may be declared, imposed, established by or agreed upon, in or by such order, judgment, decree, gift, grant, assignment, transfer, contract, devise, legacy or bequest. To accept from and execute for, or in behalf of, trusts or [for] minors, and married women, in respect to their separate property, real or personal, and ante-nuptial settlements, or otherwise, to act as an agent for them in the management of such property. To act as agent for the purpose of transferring, issuing, registering, or countersigning the certificates of stocks, bonds, coupons, or other evidences of debt of any corporation, association, person, city, town, township, school district, state or other authority, or to receive or to pay out moneys in redemption of the bonds, coupons or other evidences of indebtedness of such public or private corporations or persons.

3. To take, accept and hold on deposit, for savings account or for safe keeping, or in escrow, any and all moneys, bonds, stocks, and other securities, or personal property whatsoever, which any state, county, city, town, township or school district officer, or any corporation, public or private, person or persons, shall be authorized, permitted or required by law or otherwise to deposit in a bank or other safe deposit, or to pay into or deposit in any court of record in this state. And when any officer, corporation, public or private, or any executor, administrator, guardian, assignee, receiver, trustee, or any person acting in a trust capacity of whatsoever nature, or any individual, shall be authorized, required or permitted by law or otherwise, to pay into or deposit in any court of record in this state any

moneys, bonds, instruments in writing, stock, or other securities, or personal property whatsoever, the same instead thereof may be paid into or deposited with any corporation organized and acting under this chapter, which shall be designated for that purpose by the court having jurisdiction of the subject matter, or by the person, corporation, tribunal or body owning or controlling the same. Whenever any executor, administrator, guardian, assignee, receiver, trustee, or any person acting in any trust capacity whatsoever, shall deposit any moneys, bonds, instruments in writing, stocks, or other securities, or any personal property whatsoever, belonging to his trust, with any corporation qualified and acting under this chapter, and shall take a receipt of such corporation therefor, he and his sureties shall thereafter be relieved from all liability therefor until the same shall again be delivered to him by such corporation; provided that any corporation organized under chapter 20½, revised codes, 1899, having a savings department, shall make the same reports and be subject to the same examinations and be under the same restrictions as to their savings departments as now provided by law for banks.

4. To act as trustee, assignee or receiver, in all cases where it shall be lawful for any court, officer, corporation or person to appoint a trustee, assignee or receiver, and to be appointed, commissioned and act as administrator of any estate, executor of any last will or testament of any deceased person, or estate of any minor, or of the estate of any lunatic, imbecile, spendthrift, habitual drunkard, or other person disqualified to manage an estate. And it shall be lawful for any court in this state, having jurisdiction of the estates or wills of such persons, either within or without this state, to appoint or commission any such corporation organized and acting under, and having qualified with all the provisions of this chapter, as such administrator, executor, guardian, trustee, assignee or receiver in all cases where, under the laws of this state, such court could lawfully so appoint and commission any natural person; and in such cases no bond or other security or oath or other qualification shall be necessary to enable such corporation to accept such appointments and trusts.

5. To accept and receive deposits of money for general savings account, for safe keeping, or for investment, and to provide by its by-laws and regulations for the payment of interest or dividends thereon, for the investment thereof, and conditions for repaying or withdrawing the same, and when any such deposit may have been received from a minor the repayment of same to such minor or his order shall be a complete discharge of such corporation from any further liability therefor. To loan money upon such securities as may be deemed advisable by its board of directors, and to borrow money in like manner upon the security of its own property or credit.

6. To act as attorney in fact for any public or private corporation, or person, in the management or control of real estate or personal property, its sale or conveyance, in the negotiation of and sale

of mortgages or other securities, the satisfaction of and discharge of record of mortgages or other securities, the collection of rents, payment of taxes, and generally to act for and represent corporations and persons under powers and letters of attorney, in all respects as a natural person could do.

7. To make, compile and certify to abstracts of title of real estate, upon such conditions and subject to such liability as may now exist or be hereafter created, by or under the laws of this state relating to abstractors, and under such conditions and restrictions as may be prescribed by its by-laws or by resolutions of its board of directors, to insure the validity and genuineness of titles to real property.

8. To insure and guarantee the fidelity and faithful performance of the duties of state, county, township, city, town and school district officers and employes; of the depositories of public or other funds, and all persons, firms, companies or corporations who may require or are permitted to make, execute or give bonds or undertakings with security, for the faithful performance of any duty, and any court, board of auditors, board of commissioners, or trustees, or any person or persons who are now or shall hereafter be required to approve the sufficiency of any such bond or undertaking may accept such bond or undertaking and approve the same, when the conditions of such bond or undertaking are guaranteed by a corporation duly organized, qualified and acting under the provisions of this chapter, and all such corporations are vested with full power and authority to guarantee such bonds and undertakings, and the certificate provided for in section 3258c shall, until revoked, be conclusive evidence of the qualification of such corporation, and of its authority to become and be accepted as such surety; provided, that nothing herein contained shall apply to bonds given in criminal actions.

9. Whenever any sum or sums of money, or any real or personal property shall have been received by, deposited with or conveyed to be held by such corporation, for savings or investment account, or in trust under any of the provisions of subdivisions 1, 2, 3, 4 or 5 of this section, such moneys or property and all evidences of the investment of the same, and their accretions, must be kept by such corporation, separate and apart and readily identified from similar property of its own or of other persons, and the same shall not be liable for any debt or claim against said corporation, except for debts or claims accruing to and in favor of the person or persons making such deposits or creating such trusts, or the beneficiaries thereunder.

§ 2. AMENDMENT.] That section 3258m be and the same is hereby amended to read as follows:

§ 3258m. PROHIBITED DEALINGS. INDEBTEDNESS OF AGENTS.] Such corporation shall not loan its funds, moneys, capital, trust funds or other property whatsoever to any director, officer, agent or other employe thereof, nor shall any such director, officer, agent or other employe become in any manner indebted to said company by

means of any overdraft, promissory note or account, indorsement, guaranty or other contract whatsoever unless such indebtedness shall have been first approved or authorized by the board of directors, or an investment committee created by it, and such approval entered in the minutes of the proceedings of such board or committee, and any such director, agent or employe who shall become so indebted to said company; contrary to the provisions hereof, shall be deemed guilty of the crime of embezzlement to the amount of such indebtedness, from the time such indebtedness shall be created, and upon conviction thereof shall be punished in the manner prescribed by the laws of this state for embezzlement of like amount. The execution and delivery of the official bond of such officer, agent or employe, or his endorsement of commercial paper, however, shall not be considered as an indebtedness for the purpose of this section.

§ 3. AMENDMENT.] That section 3258p be and the same is hereby amended so as to read as follows:

§ 3258p. DUTY OF PUBLIC EXAMINER.] It shall be the duty of the public examiner, once in every six months, or oftener if required by the written, verified information filed with him by any person interested in any trust with which such corporation may be charged, and without notice to the officers of such company, to make a full, true, complete and accurate examination and investigation of the affairs of such corporation and to assume and exercise over such corporation, its business, officers, directors and employes, all the power and authority conferred upon him over banking and other financial or monied corporations. If it shall appear to the state examiner from any examination made by him that said corporation has committed a violation of the law or that it is conducting business in an unsafe or unauthorized manner, or that the deposit made by it with the state auditor as hereinbefore provided, is insufficient to protect the interests of all concerned, then the state examiner shall, by an order under his hand and the seal of his office, and addressed to such corporation, direct the discontinuance of such illegal or unsafe practice, and to conform with the requirements of the law, or to make a further deposit with the state auditor in an amount sufficient to insure the safety of its trusts, deposits and liabilities. And whenever such corporation shall refuse to comply with any such order as aforesaid, or whenever it shall appear to the said state examiner that it is unsafe or inexpedient for any such corporation to continue to transact business, he shall communicate the facts to the attorney general, and thereupon he shall be authorized to institute such proceedings against any such corporation, as is now, or may hereafter be provided by law, in case of insolvent corporations or such other proceedings as the case may require.

§ 4. REPEAL.] All acts and parts of acts in conflict with this act are hereby repealed.

§ 5. EMERGENCY.] Whereas, there exists a conflict of opinion as to whether corporations organized under this act as it now

exists are under the supervision of the insurance department, the auditor's department, or the state examiner's department, therefore, this act is to take effect upon its passage and approval.

Approved March 5, 1903.

CHAPTER 196.

[S. B. No. 85—Lavayea.]

RIGHT OF WAY FOR TELEPHONES.

AN ACT to Amend Section 3225a of Chapter 19½ of the Revised Codes (Civil Code) of 1899, Being Section 1 of Chapter 156 of the Session Laws of 1899, Being an Act to Provide for the Granting of the Right of Way by Municipal Corporations for Telephone Lines on and over Public Grounds, Streets, Alleys and Highways, and Making Valid such Grants Heretofore Made.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That section 3225a of chapter 19½ of the civil code of the revised codes of North Dakota for the year 1899, being section 1, of chapter 156 of the session laws for North Dakota for the year 1899, be amended and re-enacted to read as follows:

§ 3225a. RIGHT OF WAY.] The board of county commissioners of any county, board of supervisors of any township, board of aldermen of any incorporated city, or board of trustees of any town or village in this state, may, when deemed for the best interest of their respective municipal corporations, grant to any person, who is a resident of this state, or to any company or corporation, organized under the laws of this state, or to any company or corporation duly licensed to do business within this state, the right of way for the erection of a telephone line over or upon any public grounds, streets, alleys or highways under the care or supervision of such board granting such right of way. Such right of way shall be granted subject to such conditions, restrictions and regulations as may be prescribed by the board granting the same, as to what grounds, streets, alleys or highways said lines shall run upon, over or across, and as to the places where the poles to support the wires shall be located, and all grants of right of way for the construction of telephone lines heretofore made, in accordance herewith, by any board above mentioned, are hereby made valid.

§ 2. REPEAL.] All acts and parts of acts in conflict with the provisions of this act are hereby repealed.

§ 3. EMERGENCY.] Whereas, an emergency exists in that the business interests of the state demand the rapid extension of telephone lines connecting the business centers and franchises should be let and work commenced on the construction of such lines long be-

fore the first day of July, therefore this act shall take effect and be in force from and after its passage and approval.

Approved March 9, 1903.

CHAPTER 197.

[S. B. No. 93—Lavayea.]

PENALTY FOR INJURING TELEPHONE LINES.

AN ACT to Amend and Re-enact Section 7553 of Chapter 61 of the Penal Code of the Revised Codes of 1899, Relating to Injuries to or Obstruction of Any Telegraph Lines or Appurtenances or Apparatus Therewith Connected by Adding Thereto and Bringing Within the Provisions Therewith Telephone Lines.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That section 7553 of chapter 61, of the penal code of the revised codes of 1899, be amended and re-enacted to read as follows:

§ 7553. INJURING TELEGRAPH OR TELEPHONE LINES.] Every person who willfully or maliciously takes down, removes, injures or obstructs any line of telegraph or telephone or any part thereof, or appurtenance or apparatus therewith connected, or severs any wire thereof, is guilty of a misdemeanor.

§ 2. REPEAL.] All acts or part of acts in conflict with the provisions of this act are hereby repealed.

Approved March 9, 1903.

CHAPTER 198.

[H. B. No. 19—McGahan.]

DISPOSITION OF TOWN LOTS HELD IN TRUST.

AN ACT Providing How the Lots of Townsites Heretofore Entered Under Section 2387 of the Revised Statutes of the United States and Now Held in Trust by Any City as Provided in Section 2387, May Be Sold or Leased.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. HOW SOLD OR LEASED.] That the lots in any city which have been acquired under the provisions of section 2387 of the revised statutes of the United States, and title to which are held in trust for the several use and benefit of the occupants of such city, as provided in said section 2387 of the revised statutes of the United States, may be sold or leased by the council of such city at any regular or special

meeting of the council of such city, a majority of all the members elected voting therefor; provided, that no lease shall be for a longer period than ninety-nine years, and it shall be the duty of the mayor of the city, on the presentation to him of a certificate from the city treasurer, showing that the purchaser of any lot or lots from the city council has deposited the purchase price with him, to execute to the purchaser a deed in the name of the city for said lot or lots so sold.

§ 2. EMERGENCY.] Whereas, an emergency exists in this that there is now no law providing for the sale or leasing of lots held in trust by cities, acquired under the provisions of section 2387 of the revised statutes of the United States, by the city council at any regular or special meeting, nor for the leasing of such lots for more than twenty years; therefore, this act shall take effect and be in force from and after its passage and approval.

Approved Feb. 10, 1903.

TOWNSHIPS.

CHAPTER 199.

[S. B. No. 133—Clarke.]

DISSOLUTION OF TOWNSHIPS.

AN ACT to Amend Sections 2680b and 2680d of the Revised Codes of the State of North Dakota, 1899, Relating to Dissolution of Townships.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That section 2680b of the revised codes of the state of North Dakota, 1899, be amended and re-enacted to read as follows:

§ 2680b. AMENDMENT. SHALL VOTE BY BALLOT.] The board of supervisors of such civil township shall preside at such meetings, and the polls shall be opened and closed as at other township meetings, and the voters shall vote by ballot, "yes" or "no," and the result of the vote shall be publicly announced after the polls close and as soon as ascertained by the officers of such meeting, and if a majority of all the votes [shall be "yes" and shall] have been given by a majority of all the legal voters in such civil township, a statement of the vote signed by the chairman of the board of supervisors of such civil township, and attested by the clerk thereof, shall be filed in the office of the county auditor of the county within which such civil township lies, and such civil township shall on the first day of January next succeeding the time of holding such meeting cease to be a corporation; provided, the property belonging to such civil township,