

CORPORATIONS

CHAPTER 97

H. B. No. 782

(Wells, Larson(16), Dawson, Powers, Rivinius, Johnson(39), Jones)

CORPORATIONS ALLOWED TO CARRY ON FARMING OPERATIONS

AN ACT

To create and enact section 10-06-07 of the North Dakota Century Code, authorizing small corporations to engage in farming and ranching operations, providing limitations thereon, and to repeal sections 10-06-01, 10-06-02, 10-06-03, and 10-06-05 of the North Dakota Century Code, relating to the prohibition of corporate farming.

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

§ 1.) Section 10-06-07 of the North Dakota Century Code is hereby created and enacted to read as follows:

10-06-07. Corporations Allowed to Carry on Farming and Ranching Operations—Limitations.) Any corporation may own real estate and carry on farming or ranching operations, if such corporation meets the following standards:

1. The shareholders shall not exceed ten in number.
2. The corporation shall not have as a shareholder a person, other than an estate, who is not a natural person.
3. The corporation shall not have more than one class of shares.
4. The corporation's income from rent, royalties, dividends, interest, and annuities does not exceed twenty percent of the corporation's gross receipts.

Notwithstanding any provisions of this Act, a corporation prohibited from owning shares may hold such shares as acquired by bequest or devise or as are acquired in the regular course of business in partial or full satisfaction of any mortgage, lien, or other encumbrance held or owned by such corporation on such shares, provided such shares are sold or otherwise transferred within ten years to a person qualified as a shareholder under this Act. Any corporation not meeting the specifications and standards set out in this Act may not engage in the business of farming or ranching or own lands

suitable for farming or ranching, which are not reasonably necessary for the conduct of its business.

§ 2. **Repeal.**) Sections 10-06-01, 10-06-02, 10-06-03, and 10-06-05 of the North Dakota Century Code are hereby repealed.

Filed March 13, 1967.

Note: Chapter 97 was vetoed by the governor on February 25, 1967. This veto was subsequently overridden by the House of Representatives on February 25, 1967, and by the Senate on February 28, 1967.

CHAPTER 98

S. B. No. 144
(Holand, Chesrown)

STATE ADMINISTRATION OF CORPORATIONS AND COOPERATIVES

AN ACT

To create and enact sections 10-15-52.1, 10-15-52.2, 10-15-52.3, 10-15-52.4, 10-15-52.5, and 41-09-46.1 of the North Dakota Century Code, relating to mergers, amendments to articles of association, certificates of authority, and withdrawal of foreign cooperatives; and exempting the secretary of state and his employees from liability for filing errors made in carrying out the provisions of the Uniform Commercial Code; and to amend and reenact sections 6-06-04, 10-15-04, 10-15-07, 10-15-09, 10-15-10, 10-15-12, subsections 3, 4, and 5 of section 10-15-36, sections 10-15-38, 10-15-40, subsection 1 of section 10-15-42, subsection 3 of section 10-15-43, section 10-15-44, subsection 4 of section 10-15-45, subsection 4 of section 10-15-47, subsection 1 of section 10-15-48, sections 10-15-50, 10-15-51, 10-15-53, 10-15-54, 10-23-01, subsection 1 of section 10-23-05, subsection 1 of section 10-28-02, subsection 5 of section 41-09-42, sections 41-09-44, 41-09-45, subsection 2 of section 41-09-46, sections 43-03-16, 49-09-14, 54-09-04, 61-05-19, and 61-16-06 of the North Dakota Century Code, relating to recording and filing certain forms in the office of secretary of state, charges for making such filings, and failure of cooperatives to file annual reports as legally required.

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

§ 1. **Amendment.**) Section 6-06-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

6-06-04. Amendment of Certificate or Bylaws — Approval by State Credit Union Board.) The certificate of organization or bylaws of a credit union may be amended at a regular or special meeting of the members thereof. The proposed amendments must be fully set forth in the notice of the meeting at

which the proposed amendments are to be submitted for action. Any amendment to the certificate of organization must be approved by a majority vote of the entire membership of the credit union, and any amendment to the bylaws must be approved by three-fourths of the members present at the meeting. Proposed amendments to the certificate of organization or the bylaws shall, before submission to members for adoption, be approved by the state credit union board, and shall become operative immediately upon approval of the membership of the credit union. The resolution containing the full text of any amendment of the certificate of organization, verified by the president and the treasurer of the credit union and approved by the state credit union board, shall be recorded in the office of the register of deeds of the county in which the principal place of business of the credit union is located and the register of deeds shall after recording of the amendment return it with his certificate of recording attached, and it shall be filed with the secretary of state for permanent record. The fee for filing the amendment with the secretary of state shall be five dollars. The applicants shall, within thirty days thereafter, provide the state examiner with a true and correct copy of the amendment to the certificate of organization or the amendments to the bylaws.

§ 2. Amendment.) Section 10-15-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-15-04. Incorporators.) Five or more adults, one of whom must be a resident, may form a cooperative by signing, acknowledging, and filing articles of association.

§ 3. Amendment.) Section 10-15-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-15-07. Articles, Filing—Cooperative Existence.) Duplicate originals of the articles of association, duly signed and acknowledged, shall be delivered to the secretary of state for filing. The legal corporate existence of a cooperative begins when the duplicate original articles are so delivered. The secretary of state shall stamp on both originals the date of filing and return one to the cooperative with his certificate of such filing.

§ 4. Amendment.) Section 10-15-09 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-15-09. Organization Meetings—Temporary Board.) After articles have been filed, an organization meeting of the

temporary board shall be held at the call of a majority of the incorporators or of a majority of the temporary directors for the adoption of bylaws, election of temporary officers, and transaction of other business.

§ 5. Amendment.) Section 10-15-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-15-10. Members' First Meeting.) The first meeting of the members shall be called by the temporary president or a majority of the temporary directors. Such meeting shall be held as soon as reasonably possible after the organization meeting of the temporary board, but not later than six months after filing the articles. Failure to hold such meeting within the time specified does not affect the validity of organization.

§ 6. Amendment.) Section 10-15-12 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-15-12. Principal Office—Registered Agent.) A cooperative shall maintain in this state either its principal office or a registered agent.

The board may establish or change the location of the principal office or name and address of the registered agent by causing a statement in writing to be filed as an amendment to the articles as provided in section 10-15-53. Such statement shall set forth the name of the cooperative, and the location of its principal office or the name and address of the registered agent as established or changed. For the purposes of this chapter, the post office address of an existing cooperative becoming subject to this chapter, as set forth in the articles for its business office, shall be considered its registered office and the secretary of the cooperative shall be considered its registered agent unless the articles are amended otherwise.

A registered agent may resign by mailing a written notice to both the secretary of state and the cooperative. The resignation becomes effective when the cooperative names a new registered agent or sixty days after the receipt of notice by the secretary of state, whichever is sooner.

§ 7. Amendment.) Subsections 3, 4, and 5 of section 10-15-36 of the North Dakota Century Code are hereby amended and reenacted to read as follows:

3. The annual report shall be delivered to the secretary of state between January first and March thirty-first of each year following incorporation. A fee of five dollars shall be paid to the secretary of state for filing the report. If the report does

not conform to requirements, it shall be returned to the cooperative for necessary corrections. The penalties for failure to file such report shall not apply if it is corrected and returned within thirty days after receipt thereof. The secretary of state may extend the filing date for the annual report of any cooperative whenever in his discretion he considers such an extension of time advisable and proper.

4. Any report filed after March thirty-first may be filed only upon payment to the secretary of state of the following fees:

- a. If filed prior to May first, ten dollars.
- b. If filed thereafter but not later than the following December first, fifteen dollars.

5. If the report is not filed before the following December second, the cooperative is not in good standing and shall be considered to be inactive. Until restored to good standing, the secretary of state may not accept for filing any document respecting such cooperative except those incident to its dissolution. The secretary of state, on or before the first day of July of each year following the year a cooperative is found to be inactive, shall certify to the attorney general the names of all cooperatives which have failed to file their reports in accordance with this section, together with the facts pertinent thereto, and shall also mail a copy of such certificate to the cooperative involved. Upon the receipt of such certification, the attorney general may in his discretion file an action in the name of the state against such cooperative for its dissolution.

§ 8. **Amendment.)** Section 10-15-38 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-15-38. Filing Amendments — Limitation of Action.)

1. Amendments to articles shall be signed by the president or a vice president and the secretary or an assistant secretary, such signatures shall be acknowledged, the amendments shall be sealed with the cooperative's seal, and shall set forth:

- a. The name of the cooperative;
- b. The amendments and date of adoption;
- c. The number of members; and
- d. The number of members voting for and against such amendment.

2. One copy of such amendment shall be retained in the records of the association, and one copy shall be filed in the

office of the secretary of state, who shall issue a certificate of amendment thereon.

3. No amendment may affect any existing cause of action or proceedings to which the cooperative is a party, or existing rights of persons other than members or stockholders.

4. No action may be maintained to invalidate any amendment because of the manner of its adoption unless commenced within two years after the date of filing.

§ 9. Amendment.) Section 10-15-40 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-15-40. Amendments by Bankruptcy Court.) Certified copies of any order of a court of the United States, in proceedings under the bankruptcy laws, shall be filed as an amendment if the order affects an amendment to the articles. The principal officers of a cooperative shall cause each order to be promptly filed after it becomes final.

§ 10. Amendment.) Subsection 1 of section 10-15-42 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. Articles of merger or consolidation shall set forth the approved plan and such other information as is required by section 10-15-38. They shall be signed by two principal officers of each association merging or consolidating, sealed with the seal of each such association, and filed as an amendment to the articles. Unless otherwise specified in the plan, the merger or consolidation is effective when the articles are so filed.

§ 11. Amendment.) Subsection 3 of section 10-15-43 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

3. Articles of division shall set forth the approved plan and such other information as is required by section 10-15-38 and shall be filed as an amendment to the articles. Each part of the plan which contains the articles of a new cooperative shall be separately filed as articles of association for such new cooperative.

§ 12. Amendment.) Section 10-15-44 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-15-44. Conversion of Corporation.) A corporation may convert itself into a cooperative by adopting an amendment to its articles by which it elects to become subject to this chapter, together with the changes in its articles required by

this chapter and other desirable changes permitted by this chapter. Such amendment shall be adopted and filed in the manner provided by the law then applicable to the corporation.

§ 13. Amendment.) Subsection 4 of section 10-15-45 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

4. The articles of dissolution shall be filed as provided in section 10-15-53, and thereupon the existence of the cooperative ceases.

§ 14. Amendment.) Subsection 4 of section 10-15-47 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

4. When the court approves the final distribution of a cooperative's assets, it shall enter a decree in the nature of articles of dissolution which shall be filed in the secretary of state's office.

§ 15. Amendment.) Subsection 1 of section 10-15-48 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. Upon filing the articles or decree of dissolution, title to any property omitted from the final distribution vests in the surviving directors or committee members who signed the articles, as trustees. They have all the powers of the cooperative with respect to such property and shall distribute the property or its proceeds to the persons beneficially entitled thereto.

§ 16. Amendment.) Section 10-15-50 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-15-50. Survival of Remedy After Dissolution.) Except as provided in section 10-15-47, the dissolution of a cooperative does not impair any remedy available to or against such cooperative, its directors, stockholders, or members for any claim existing or any liability incurred prior to such dissolution if a proceeding thereon is commenced within two years after the date of filing the articles or decree of dissolution.

§ 17. Amendment.) Section 10-15-51 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-15-51. Admission of Foreign Cooperatives.) A foreign cooperative is authorized to do business in this state upon issuance of a certificate of authority to that effect by the secretary of state. In order to procure such certificate, it shall

make application therefor to the secretary of state, and file a certified copy of the articles of association and all amendments on file in the state or country of incorporation. The application shall set forth:

1. The name of the cooperative and the state or country under the laws of which it is incorporated;
2. The date of incorporation and the period of duration of the corporation;
3. The address of the principal office of the cooperative in the state or country under the laws of which it is incorporated;
4. The address of the proposed registered office of the cooperative in this state, and the name of its proposed registered agent in this state at such address;
5. The purpose or purposes of the cooperative which it proposes to pursue in the transaction of business in this state;
6. The names and respective addresses of the directors and officers of the cooperative;
7. A statement of its aggregate number of members, and of the number of members by classes, if any;
8. A statement of the aggregate amount of authorized and issued capital stock itemized by classes, par value of stock, stock without par value, and series, if any, within a class; and
9. Such additional information as may be necessary or appropriate in order to enable the secretary of state to determine whether such cooperative is entitled to a certificate of authority to transact business in this state and to determine and assess fees payable.

Such application shall be made on forms prescribed and furnished by the secretary of state and shall be executed in duplicate by the cooperative by its president or a vice president and by its secretary or an assistant secretary, and verified by one of the officers signing such application.

§ 18.) Section 10-15-52.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

10-15-52.1. Merger of Foreign Cooperative Authorized to Transact Business in This State.) Whenever a foreign cooperative authorized to transact business in this state shall be a party to a statutory merger permitted by the laws of the state or country under the laws of which it is associated, and such

cooperative shall be the surviving cooperative, it shall, within thirty days after such merger becomes effective, file with the secretary of state a copy of the articles of merger duly authenticated by the proper officer of the state or country under the laws of which such statutory merger was effected; and it shall not be necessary for such cooperative to procure either a new or amended certificate of authority to transact business in this state unless the name of such cooperative be changed thereby or unless the cooperative desires to pursue in this state other or additional purposes than those which it is then authorized to transact in this state.

§ 19.) Section 10-15-52.2 of the North Dakota Century Code is hereby created and enacted to read as follows:

10-15-52.2. Amendment to Articles of Association of Foreign Cooperatives.) Whenever the articles of association of a foreign cooperative authorized to transact business in this state are amended, such foreign cooperative shall, within thirty days after such amendment becomes effective, file in the office of the secretary of state a copy of such amendment duly authenticated by the proper officer of the state or country under the laws of which it is associated; but the filing thereof shall not of itself enlarge or alter the purpose or purposes which such cooperative is authorized to pursue in the transaction of business in this state, nor authorize such cooperative to transact business in this state under any other name than the name set forth in its certificate of authority.

§ 20.) Section 10-15-52.3 of the North Dakota Century Code is hereby created and enacted to read as follows:

10-15-52.3. Amended Certificate of Authority.) A foreign cooperative authorized to transact business in this state shall procure an amended certificate of authority in the event it changes its cooperative name, or desires to pursue in this state other or additional purposes than those set forth in its prior application for a certificate of authority, by making application therefor to the secretary of state.

The requirements in respect to the form and contents of such application, the manner of its execution, the filing of duplicate originals thereof with the secretary of state, the issuance of an amended certificate of authority and the effect thereof, shall be the same as in the case of an original application for a certificate of authority.

§ 21.) Section 10-15-52.4 of the North Dakota Century Code is hereby created and enacted to read as follows:

10-15-52.4. Withdrawal of Foreign Cooperative.) A foreign cooperative authorized to transact business in this state may

withdraw from this state upon procuring from the secretary of state a certificate of withdrawal. In order to procure such certificate of withdrawal, such foreign cooperative shall deliver to the secretary to state an application for withdrawal, which shall set forth:

1. The name of the cooperative and the state or country under the laws of which it is associated;
2. That the cooperative is not transacting business in this state;
3. That the cooperative surrenders its authority to transact business in this state;
4. That the cooperative revokes the authority of its registered agent in this state to accept service of process and consents that service of process in any action, suit or proceeding based upon any cause of action arising in this state during the time the cooperative was authorized to transact business in this state may thereafter be made on such cooperative by service thereof on the secretary of state;
5. A post office address to which the secretary of state may mail a copy of any process against the cooperative that may be served on him; and
6. Such additional information as may be necessary or appropriate in order to enable the secretary of state to determine and assess any unpaid fees payable by such foreign cooperative.

The application for withdrawal shall be made on forms prescribed and furnished by the secretary of state and shall be executed by the cooperative by its president or vice president and by its secretary or an assistant secretary, and verified by one of the officers signing the application, or, if the cooperative is in the hands of a receiver or trustee, shall be executed on behalf of the cooperative by such receiver or trustee and verified by him.

§ 22.) Section 10-15-52.5 of the North Dakota Century Code is hereby created and enacted to read as follows:

10-15-52.5. Filing of Application for Withdrawal for Foreign Cooperatives.) Duplicate originals of an application by a foreign cooperative for withdrawal shall be delivered to the secretary of state. If the secretary of state finds that such application conforms to the provisions of section 10-15-52.4, he shall, when all fees have been paid:

1. Endorse on each of such duplicate originals the word "filed", and the month, day, and year of the filing thereof;

2. File one of such duplicate originals in his office; and
3. Issue a certificate of withdrawal to which he shall affix the other duplicate original.

The certificate of withdrawal, together with the duplicate original of the application for withdrawal affixed thereto by the secretary of state, shall be returned to the cooperative or its representative. Upon the issuance of such certificate of withdrawal, the authority of the cooperative to transact business in this state shall cease.

§ 23. Amendment.) Section 10-15-53 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-15-53. Filing Documents—Penalty for False Document.)

1. When any document is to be filed, duplicate originals shall be delivered to the secretary of state. He shall stamp on both the date of filing and return one to the cooperative with his certificate of filing.
2. Whoever causes any document to be filed, knowing such to be false in any material respect, may be fined not more than one thousand dollars or imprisoned not more than three years, or both.

§ 24. Amendment.) Section 10-15-54 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-15-54. Fees.) No document may be filed nor any certificate issued until all fees therefor have been paid. Any fee or penalty due under this chapter may be recovered in a suit brought by the attorney general in the name of the state. The secretary of state shall charge and collect from any association for:

1. Filing articles of association and issuing a certificate of association, sixteen dollars;
2. Filing articles of amendment and issuing a certificate of amendment, twelve dollars;
3. Filing restated articles of association, twelve dollars;
4. Filing articles of merger or consolidation and issuing a certificate of merger or consolidation, fifteen dollars;
5. Filing articles or decree of dissolution, five dollars;
6. Receiving service of any process, notice, or demand, five dollars;

7. Filing an application of a foreign cooperative for a certificate of authority to do business in this state and issuing a certificate therefor, eighteen dollars;
8. Filing a copy of an amendment to the articles of association of a foreign cooperative holding a certificate of authority to transact business in this state, eight dollars;
9. Filing an application for an amended certificate of authority for a foreign cooperative holding a certificate of authority to transact business in this state, sixteen dollars;
10. Filing a copy of articles of merger of a foreign cooperative holding a certificate of authority to transact business in this state, fifteen dollars;
11. Filing an application for withdrawal of a foreign cooperative and issuing a certificate of withdrawal, ten dollars;
12. Filing any other document or statement, or issuing any other certificate, five dollars.

§ 25. **Amendment.)** Section 10-23-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

10-23-01. Annual Report of Domestic and Foreign Corporations.) Each domestic corporation, and each foreign corporation authorized to transact business in this state, shall file, within the time prescribed by section 10-23-02, an annual report setting forth:

1. The name of the corporation and the state or country under the laws of which it is incorporated;
2. The address of the registered office of the corporation in this state, and the name of its registered agent in this state at such address, and, in the case of a foreign corporation, the address of its principal office in the state or country under the laws of which it is incorporated;
3. A brief statement of the character of the business in which the corporation is actually engaged in this state;
4. The names and respective addresses of the directors and officers of the corporation;
5. A statement of the aggregate number of shares which the corporation has authority to issue, itemized by classes, par value of shares, shares without par value, and series, if any, within a class;

6. A statement of the aggregate number of issued shares, itemized by classes, par value of shares, shares without par value, and series, if any, within a class;
7. A statement, expressed in dollars, of the amount of stated capital of the corporation, as defined in section 10-19-02;
8. A statement, expressed in dollars, of the value of all the property owned by the corporation, wherever located, and the value of the property of the corporation located within this state, and a statement, expressed in dollars, of the gross amount of business transacted by the corporation for the twelve months ending on the thirty-first day of December preceding the date herein provided for the filing of the annual report and the gross amount thereof transacted by the corporation at or from places of business in this state. If, on the thirty-first day of December preceding the time herein provided for the filing of such report, the corporation had not been in existence for a period of twelve months, or in the case of a foreign corporation had not been authorized to transact business in this state for a period of twelve months, the statement with respect to business transacted shall be furnished for the period between the date of incorporation or the date of its authorization to transact business in this state, as the case may be, and such thirty-first day of December; and
9. Such additional information as may be necessary or appropriate in order to enable the secretary of state to determine and assess the proper amount of fees payable by such corporation.

Such annual report shall be made on forms prescribed and furnished by the secretary of state, and the information therein contained shall be given as of the date of the execution of the report, except as to the information required by subsections 7, 8, and 9 which shall be given as of the close of business on the thirty-first day of December next preceding the date herein provided for the filing of such report, or in the alternative data of the fiscal year ending next preceding this report may be used. It shall be executed by the corporation by its president, a vice president, secretary, an assistant secretary, or treasurer, and verified by the officer executing the report, or, if the corporation is in the hands of a receiver or trustee, it shall be executed on behalf of the corporation and verified by such receiver or trustee.

§ 26. Amendment.) Subsection 1 of section 10-23-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. For furnishing a certified copy of any document, instrument, or paper relating to a corporation, thirty-five cents per page and two dollars for the certificate and affixing the seal thereto; and

§ 27. Amendment.) Subsection 1 of section 10-28-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. For furnishing a certified copy of any document, instrument, or paper relating to a corporation, thirty-five cents per page and two dollars for the certificate and affixing the seal thereto.

§ 28.) Section 41-09-46.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

41-09-46.1. Secretary of State Exempt from Liability.) The secretary of state and his employees or agents, are hereby exempted from all personal liability as a result of any errors or omissions in the performance of any duty required by the Uniform Commercial Code, title 41 of the North Dakota Century Code, except in cases of willful misconduct or negligence.

§ 29. Amendment.) Subsection 5 of section 41-09-42 of the North Dakota Century Code, designated as section 9-403 of the Uniform Commercial Code, is hereby amended and reenacted to read as follows:

5. The uniform fee for filing, indexing and furnishing filing data for an original or a continuation statement shall be two dollars. When a non-standard form is presented for filing, an additional charge of one dollar shall be made.

§ 30. Amendment.) Subsections 1 and 2 of section 41-09-44 of the North Dakota Century Code, designated as section 9-405 of the Uniform Commercial Code, is hereby amended and reenacted to read as follows:

41-09-44. (9-405) Assignment of Security Interest—Duties of Filing Officer—Fees.) 1. A financing statement may disclose an assignment of a security interest in the collateral described in the statement by indication in the statement of the name and address of the assignee or by an assignment itself or a copy thereof on the face or back of the statement. Either the original secured party or the assignee may sign this statement as the secured party. On presentation to the filing officer of such a financing statement the filing officer shall mark the same as provided in subsection 4 of section 41-09-42. The uniform fee for filing, indexing and furnishing

filing data for a financing statement so indicating an assignment shall be two dollars. When a non-standard form is presented for filing, an additional charge of one dollar shall be made.

2. A secured party may assign of record all or a part of his rights under a financing statement by the filing of a separate written statement of assignment signed by the secured party of record and setting forth the name of the secured party of record and the debtor, the file number and the date of filing of the financing statement and the name and address of the assignee and containing a description of the collateral assigned. A copy of the assignment is sufficient as a separate statement if it complies with the preceding sentence. On presentation to the filing officer of such a separate statement, the filing officer shall mark such separate statement with the date and hour of the filing. He shall note the assignment on the index of the financing statement. The uniform fee for filing, indexing and furnishing filing data about such a separate statement of assignment shall be two dollars. When a non-standard form is presented for filing, an additional charge of one dollar shall be made.

§ 31. Amendment.) Section 41-09-45 of the North Dakota Century Code, designated as section 9-406 of the Uniform Commercial Code, is hereby amended and reenacted to read as follows:

41-09-45. (9-406) Release of Collateral — Duties of Filing Officer — Fees.) A secured party of record may by his signed statement release all or a part of any collateral described in a filed financing statement. The statement of release is sufficient if it contains a description of the collateral being released, the name and address of the debtor, the name and address of the secured party, and the file number of the financing statement. Upon presentation of such a statement to the filing officer he shall mark the statement with the hour and date of filing and shall note the same upon the margin of the index of the filing of the financing statement. There shall be a one dollar fee for filing and noting such a statement of release. When a non-standard form is presented for filing, an additional charge of one dollar shall be made.

§ 32. Amendment.) Subsection 2 of section 41-09-46 of the North Dakota Century Code, designated as section 9-407 of the Uniform Commercial Code, is hereby amended and reenacted to read as follows:

2. Upon request of any person, the filing officer shall issue his certificate showing whether there is on file on the date and hour stated therein, any presently effective financing state-

ment naming a particular debtor and any statement of assignment thereof and if there is, giving the date and hour of filing of each such statement and the names and addresses of each secured party therein. The uniform fee for such a certificate and the first five financing statements or statements of assignment reported therein, shall be one dollar and fifty cents, plus twenty-five cents for each additional statement reported therein. Upon request the filing officer shall furnish a copy of any filed financing statement or statement of assignment for a uniform fee of one dollar and fifty cents plus seventy-five cents for the second and each succeeding page.

§ 33. **Amendment.)** Section 43-03-16 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

43-03-16. Certificates of Registration Issued by Board—Result of Examinations Recorded by Secretary of Board—Certificate Filed with Secretary of State.) The result of every examination for registration as an architect or the evidence of qualifications, shall be recorded by the secretary of the board, and the board shall issue a certificate of registration to every person who has passed the examination or otherwise is entitled to receive the certificate. Every registered licensed architect, within thirty days, shall file a copy of his certificate of registration with the secretary of state, who shall provide a special book for the purpose of keeping an index of such filings.

§ 34. **Amendment.)** Section 49-09-14 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

49-09-14. Utility Property Transfers Filed with Secretary of State.) Every general conveyance, lease, deed of trust, mortgage, assignment, or satisfaction thereof, made by any public utility or corporation of any franchise, right-of-way, real estate, fixtures, poles, wires, pipes, conduits, and general equipment used in carrying on the business of a public utility in pursuance of law shall be executed and acknowledged in the manner in which a conveyance of real estate by a corporation is required to be executed and acknowledged to entitle a copy of the same to be filed. A copy shall be filed in the office of the secretary of state, who shall issue his certificate specifying the day and hour of its reception and where filed, and such certificate shall be evidence of the fact of filing. Every such filing of any copy of the instrument, from the time of reception, shall have the same effect as to any property in this state described therein as the record of any similar instrument in the office of a register of deeds may have by law as to property in the county in which such register of deeds holds office, and

shall be notice of the rights and interests of the grantee, lessee, or mortgagee to the same extent as if it were recorded in each of the several counties in which any property therein described may be situated.

§ 35. Amendment.) Section 54-09-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-09-04. Fees.) The secretary of state, for services performed in his office, unless otherwise provided by law, shall charge and collect the following fees:

1. For a copy of any law, resolution, record, or other document or paper on file in his office, thirty-five cents per page;
2. For affixing his signature, certificate, or seal, or combination thereof to any document, two dollars;
3. For filing a certificate of appointment of attorney, five dollars;
4. For every extradition warrant issued by the governor of any other state or territory, five dollars;
5. For any other document signed by the governor, except a commission, and attested by the secretary of state, five dollars;
6. For searching records and archives of the state, two dollars;
7. For filing any paper not otherwise provided for, one dollar;
8. For filing documents and issuing certificates for foreign and domestic profit and nonprofit corporations, fees as prescribed in the general law governing corporations;
9. For filing documents and issuing certificates for foreign and domestic cooperative associations, fees as prescribed in chapter 10-15;
10. For filing utility property transfers, five dollars, and issuing a certificate of filing, two dollars.

No member of the legislative assembly, and no state or county officer shall be charged for any search relative to matters appertaining to duties of his office, nor shall he be charged any fee for a certified copy of any law or resolution passed by the legislative assembly relative to his official duties. All fees when collected must be paid by the secretary of state into the state treasury at the end of each month and placed to the credit of the state.

§ 36. Amendment.) Section 61-05-19 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

61-05-19. State Engineer to File Order with Secretary of State — Secretary of State to Make Certificate — Evidence.) The state engineer shall file in the office of the secretary of state a copy, duly certified by him, of his order declaring any territory to be duly organized as an irrigation district, and the secretary of state shall make and issue to the state engineer a certificate under the seal of the state, of the due organization of such district and shall file a copy of such certificate and the said order of the state engineer. Such certificate of the secretary of state, or a copy thereof, authenticated by him, shall be prima facie evidence of the organization and existence of such irrigation district.

§ 37. Amendment.) Section 61-16-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

61-16-06. Order Establishing Water Management District.) A certified copy of the order establishing a water management district shall be filed with the county auditor of each county within which any portion of the district lies, and a like copy of the order shall be filed in the office of the secretary of state. The secretary of state shall make and issue to the state water conservation commission his certificate, bearing the seal of the state, of the due organization of such district, and shall file a copy of such certificate and the order of the commission establishing the district. Such certificate of the secretary of state, or a copy thereof authenticated by him, shall be prima facie evidence of the organization of such water conservation district. Such district shall be, and is hereby declared to be a governmental agency, body politic and corporate with the authority to exercise the powers specified in this chapter, or which may be reasonably implied in order to exercise such powers. The order of the commission shall specify the name or number by which a water management district shall be known.

Approved March 15, 1967.