

INCORPORATIONS.

CHAPTER XIV.

AN ACT FOR THE INCORPORATION OF TOWNS, DEFINING THEIR POWERS, PROVIDING FOR THE ELECTION OF THE OFFICERS THEREOF, AND DEFINING THEIR DUTIES.

Be it enacted by the Legislative Assembly of the Territory of Dakota.:

Townsite to be surveyed and platted

Section 1. That persons intending to make application for the incorporation of a town, as hereinafter provided, shall cause an accurate survey and map to be made of the territory intended to be embraced within the limits of such town; such survey shall be made by a practical surveyor, and show the courses and distances of the boundaries thereof, and the quantity of land contained therein, the accuracy of which survey and map shall be verified by the affidavit of such surveyor written thereon or annexed thereto.

Census to be taken

Sec. 2. Such persons shall cause an accurate census to be taken of the resident population of such territory, as it may be on some day not more than thirty days previous to the time of presenting such application to the board of county commissioners, as hereinafter provided; which census shall exhibit the name of every head of a family residing within such territory on such day, and the number of persons then belonging to every such family; and it shall be verified by the affidavit of the person taking the same.

Survey map and census subject to examination

Sec. 3. Such survey, map and census when completed and verified as aforesaid, shall be left at some convenient place within said territory for examination by those having an interest in such application, for a period of not less than thirty days.

Application for incorporation to be by petition

Sec. 4. Such application shall be by petition, subscribed by the applicants, and also by not less than one third of the whole number of qualified voters residing within such territory; and such petition shall set forth the boundaries thereof, the quantity of land embraced according to the survey, and the resident population therein contained, according to said census taken; and the said petition shall have at

tached thereto or written thereupon, affidavits verifying the facts alleged therein, and it shall be presented at the time indicated in the notice of such application, or as soon thereafter as the board can receive and consider the same.

Sec. 5. The board of county commissioners in hearing such application, shall first require proof, either by affidavit or by oral examination of witnesses before them, that the said survey, map and census were subject to examination in the manner and for the period required by section three of this act; and if said board be satisfied that the requirements of this act have been fully complied with, they shall then make an order, declaring that such territory shall, with the assent of the qualified voters thereof, as hereinafter provided, be an incorporated town, by the name specified in the application aforesaid, which name shall be different from that of every other town in this Territory, and they shall also include in such order a notice for a meeting of the qualified voters resident in said proposed town at a convenient place therein, to be by them named, on some day within one month therefrom, to determine whether such territory shall be an incorporated town.

County commis-
sioners to make
order of incor-
porations

Sec. 6. The board shall cause ten days notice of such meeting, by publication in a newspaper, if one be published in the county, and by posting up copies of said notice not less than ten in number, at the most public places in said proposed incorporated town.

Notice of meet-
ing to be given

Sec. 7. At the meeting of the qualified voters, as herein provided, polls shall be opened at nine o'clock in the forenoon of such day, and shall be kept open until four o'clock in the afternoon, when they shall be closed.

Opening of polls

Sec. 8. The voters at such meeting, shall first proceed to the election of three inspectors who, after being duly chosen and qualified, and one of their number elected clerk shall without delay proclaim to the meeting that the poll is now opened, and that they are ready to receive the ballots of the voters.

Election of
inspectors

Sec. 9. The qualified voters of said proposed incorporated town shall vote by ballot, having thereon the words "for incorporation, yes;" or the words "for incorporation, no; and if a majority of the ballots given at such meeting shall have thereon the words "no" the voters of such proposed town shall be deemed not to have assented to the incorporation thereof as a town, and no further proceedings shall be had in relation thereto, but if a majority of such ballots shall have thereon the word "yes" such territory shall from that time be deemed an incorporated town, to have continuance thereafter, by the name and style specified in the order made by the

Manner of
voting

board of county commissioners as herein before provided, and the inspectors of such meeting shall make a statement showing the whole number of ballots given at such meeting, the number having the word "yes" thereon, and the number having the word "no" thereon, which statement shall be verified by the affidavit of such inspectors, and shall be returned to such board of commissioners, at their next session, who if satisfied of the legality of such election, shall make an order declaiming that said town has been incorporated by the name adopted, which order shall be conclusive of such incorporation in all suits by or against such corporation, and the existence of such corporation, by the name and style aforesaid shall thereafter be judicially taken notice of in all courts and places in this Territory without specially pleading or alleging the same.

**Division of town
into districts**

Sec. 10. Such inspectors when they shall have returned the statement as aforesaid, shall next proceed to divide said town into not less than three nor more than seven districts having due regard to the equitable apportionment of the population among the same, and the convenience and contiguity of such district.

**Notice of
election**

Sec. 11. They shall also give ten days notice by publication in a newspaper if one be printed within such town, and by posting such notices in five public places therein, of an election to be held in such town for the purpose of electing officers thereof, naming the place therein, and the day upon which the same shall be had, but such day named shall be within twenty days from the posting of such notices. Every subsequent notice of a corporation election shall be given in like manner by the clerk of said town.

**Annual election
when held**

Sec. 12. An election for officers of said town after the first election, shall be held annually on the first Monday of May of each year, and at every such election the preceding board of trustees, or any three of them shall act as the inspectors thereof.

**How long polls
shall remain
open**

Sec. 13. At all elections in said town, the polls shall be open at nine o'clock in the forenoon, and shall not be finally closed until four o'clock in the afternoon of said day.

**Inspectors to be
the judges of
elections**

Sec. 14. Such inspectors shall preside at such first election, and be the inspectors thereof, and, in the receiving and canvassing of votes, shall be governed by the laws then existing, so far as they are applicable for the election of county officers.

**Officers to be
elected**

Sec. 15. There shall be elected at the first and at every subsequent election, one trustee, from each district in said town, and also a clerk, assessor, treasurer, and marshal who shall respectively hold their offices until the first Monday in May next following, or until

their successors are elected and qualified: *Provided*, That nothing herein contained shall prevent the respective offices of clerk, treasurer, assessor and marshal from being held by one and the same person.

Sec. 16. The persons having the greatest number of votes shall be declared elected as such trustees, and the persons who received the greatest number of votes respectively for clerk, marshal, assessor and treasurer as designated by the ballot for such office shall be declared so elected, and if two or more shall have an equal and highest number of votes, and there be no choice, the inspectors of such election shall forthwith determine by lot which shall be deemed elected, and it shall be the further duty of such inspectors to make a certified statement over their own signatures of the persons elected to fill the several offices in said town and file the same with the register of deeds in the county thereof, within ten days from the date of such election and no act or ordinance of any board of trustees chosen at such election shall be valid until the provisions of this section are substantially complied with.

Who to be declared elected

Sec. 17. It shall be the duty of the register of deeds of the proper county to make a record of such certified statement, for which services there shall be paid the same fee as is allowed for similar services in other cases.

Register of Deeds to make record of statement

Sec. 18. A vacancy occurring in the board of trustees or in any corporation office, shall be filled by appointment at a special meeting of the trustees called for that purpose, but such appointment shall be made from the district, if a trustee be appointed, in which the vacancy has occurred, and shall in no case extend beyond the annual elections provided for in this act.

vacancies in the board of trustees how filled

Sec. 19. The board of trustees chosen as aforesaid shall elect a president from their own body, and such president, trustees, and all other officers elect shall within five days after such election, take and subscribe before some person authorized to administer the same, the usual oath or affirmation for the faithful performance of the duties of their respective offices.

Officers to take oath

Sec. 20. The president, and trustees of such town and their successors in office, shall constitute a body politic and corporate, by the name of the town of _____, and shall be capable in law to prosecute and defend suits to which they are a party.

Board of trustees a body corporate

Sec. 21. Special meetings of the qualified voters may be called by the clerk by order of the trustees of said town, by giving ten days notice thereof in a newspaper, if any be printed in such town; otherwise by

Notice of special meeting

posting up such notices in five public places therein, and such notice shall state the object for which each meeting is called.

Powers of the
board of
trustees

Sec. 22. The board of trustees shall have the following powers, viz :

First, To have a common seal and alter the same.

Second, To purchase, hold, or convey any estate, real or personal, for the use of the corporation so far as such purchase may be necessary to carry out the objects contemplated by this act.

Third, To organize fire companies, hook and ladder companies, to regulate their government, and the times and manner of their exercise, to provide all necessary apparatus for the extinguishment of fires ; to make owners of buildings provide ladders and fire buckets ; which are hereby declared to be appurtenances to the real estate, and exempt from execution, seizure or sale, and if the owner shall refuse to procure suitable ladders or fire buckets after reasonable notice, the trustees may procure and deliver the same to him, and in default of payment therefor may recover of said owner the value of such ladder, or fire buckets by suit before any justice of the peace in the proper township, and costs accrued thereby ; to regulate the storage of gunpowder, and other materials ; to direct the construction of a place for the safe deposit of ashes ; and may under any order by them, entered upon the proper book of the board, visit, or appoint one or more fire wardens, to visit and examine at all reasonable hours, dwelling houses, lots, yards, enclosures and buildings of every description, discover if any of them are in a dangerous condition, and provide proper remedies for such dangers ; to regulate the manner of putting up stoves and stove pipes ; to prevent out fires, and the use of fire works, and the discharge of firearms within the limits of said corporation, or such parts thereof as they may think proper ; to compel the inhabitants of such town to aid in the extinguishment of fire, and prevent its communication to other buildings, under such penalties as are in this act provided ; to construct and preserve reservoirs, wells, pumps and other water works, and to regulate the use thereof, and generally to establish other measures of prudence, for the prevention or extinguishment of fires, as they shall deem proper.

Fourth, To declare what shall constitute a nuisance and to

prevent, abate and remove the same and take such other measures for the preservation of the public health, as they shall deem necessary.

Fifth, To restrain from running at large, cattle, swine, or other animals.

Sixth, To restrain and prohibit gambling, and other disorderly conduct; to suppress and prohibit the keeping of houses of ill-fame, and to authorise the seizure and destruction of gambling apparatus. ^{Same}

Seventh, To license, regulate or restrain auction establishments, traveling peddlers, and public exhibitions within the corporation.

Eighth, To establish and regulate markets, and build market houses, and direct the location of slaughter houses.

Ninth, To lay out, open, grade and otherwise improve the streets, alleys, sewers, sidewalks and crossings, and to keep them in repair and to vacate the same.

Tenth, To appoint street commissioners and also fire wardens not exceeding three.

Eleventh, To prohibit incumbrance of the side walks, of said town, and riding or driving thereon except to cross the same.

Twelfth, To insure the public property of such town.

Thirteenth, to purchase, lay out and regulate cemeteries.

Fourteenth, To plant trees upon public grounds, and along the streets of such town, and provide for their culture and preservation, and to enclose any public square or other public ground within said corporation.

Fifteenth, To levy and collect annual taxes not exceeding fifty cents on the hundred dollars valuation and twenty-five cents poll tax, on all property subject by law to taxation.

Sixteenth, To make and establish such by-laws, ordinances and regulations not repugnant to the laws of this Territory, as may be necessary to carry into effect the provisions of this act, and to repeal, alter or amend the same, as they shall seem to require, but every by-law, ordinance or regulation, unless in case of emergency, shall be published in a newspaper in such town, if one be printed therein, or posted in five public places, at least ten days before the same shall take effect.

Same Sec. 23. Such board of trustees shall have power to enact fines, penalties and forfeitures for violations of this act, or of any by-law or ordinance by them established, not exceeding ten dollars for any one offence, which may be recovered by action in the name of the corporation, but such board may remit the whole or any part of the fine, penalty, or forfeiture :

Provided, That the fine assessed for the violation of any ordinance requiring a license shall not be less than the amount required to be paid for such license although it may exceed the sum of ten dollars.

Appropriation of moneys Sec. 24. All moneys however derived belonging to such corporation, shall only be appropriated for such objects, and defraying such expenses as accrue, or necessarily arise in the exercise of powers granted by this act. No appropriation shall be made without an order to that effect, entered upon a proper book to be kept for that purpose by such board.

Of auditing accounts Sec. 25. No account or claim against said town shall be audited or allowed by the board of trustees, unless it be made out fully and itemized, and every such account audited shall be numbered from one upwards, in the order they were presented and a memorandum of the same entered upon a book to be kept exclusively for that purpose.

Payment of accounts Sec. 26. No account or claim shall be paid unless audited and allowed by the board as aforesaid, and no moneys shall be drawn from the treasury except upon a warrant from the treasurer signed by the president of said town, and attested by the clerk thereof.

Contracting of loans Sec. 27. No incorporated town under this act, shall have power to borrow money or incur any debt or liability unless the citizen owners of five-eighths of the taxable property of such town, as evinced by the assessment roll of the preceding year, petition the board of trustees to contract such debt or loan, and such petition shall have attached thereto an affidavit verifying the genuineness of the signatures to the same, and for any debt created thereby, the trustees shall add to the tax duplicate of each year successively a levy sufficient to pay the annual interest on such debt or loan with an addition of not less than five cents on the hundred dollars to create a sinking fund for the liquidation of the principal thereof.

Sec. 28. The clerk, assessor, treasurer, and marshal shall, within ten days from their election or appointment, each and severally give bonds payable to the Territory of Dakota, with freehold sureties to such an amount as the board of trustees shall direct, but the bonds of the treasurer and marshal shall respectively be for double the amount of the estimated tax duplicate for the current year.

What officers to give bonds

Sec. 29. All books, vouchers, moneys or other property, belonging to the corporation, and in charge or possession of any officer of the same shall be delivered to his successor when qualified.

Books, vouchers &c. to be delivered successor

Sec. 30. The board of trustees shall before the third Tuesday in May of each year, determine the amount of general tax for the current year.

Board of trustees to determine amount of tax to be raised

Sec. 31. The assessor shall assess all property liable to taxation in such town under such rules and regulations as the board may prescribe, and shall make return of his assessment roll to such board on or before the second Tuesday of June of each year.

Duties of assessor

Sec. 32. The trustees shall cause the clerk of said corporation to put up notices, in three or more public places in said town, stating that the assessment roll is returned and open for inspection and that on a day and at a place to be specified in said notice, the trustees will hear, and decide all complaints of, and appeals from, the acts of said assessor.

Notice to be given of opening of assessment roll

Sec. 33. When the assessment roll shall have been corrected and completed, the trustees shall levy a tax upon the taxable property of said town to such an amount as they may deem necessary, and shall set opposite the name of each person taxed, a description and valuation of the property, charged therewith, and the amount of tax assessed against such person, and when such tax list shall have been made, they shall cause a copy thereof, with a warrant annexed, to be delivered to the marshal of such town. The assessment roll, and tax list, shall be deposited with the treasurer of such town who is hereby charged with the safe custody of the same.

Correction of tax list

Sec. 34. Such warrant shall be under the seal of the corporation, signed by the president and trustees, or a majority of them and attested by the clerk, and shall command the marshal

Warrant to marshal to collect and pay over taxes

to collect the taxes specified in his duplicate within ninety days, and pay over the same, and make return of said warrant, to the treasurer of said town. Such trustees may renew such warrant, for any period not exceeding thirty days.

Powers of
marshal to
collect tax

Sec. 35. The marshal shall collect the taxes on said duplicate when so required, and shall have the same power to enforce collections, and shall be governed by the same rules and regulations as county treasurers and collectors, and shall have authority in like manner to collect by distress and sale, and to make conveyances and certificates of real estate sold by virtue of such sale; which sale if at a county-seat, shall be at the door of the court house or place of holding courts, and if not at the county seat it shall be held at the door of the town hall, or place of meeting of the board of trustees, and the clerk of said board shall perform the like duties, at said sale, as are required of the county treasurer, at a sale for territorial and county taxes, and all deeds or conveyances for lands so sold for taxes, shall be *prima facie* evidence of the validity of such purchase.

Redemption of
real estate sold
by distress

Sec. 36. Any real estate sold by virtue of this act shall be redeemable under the regulations and restrictions, as real estate sold for county and territorial taxes is made redeemable. All moneys for the redemption of such real estate shall be paid to the treasurer of the corporation.

Tax duplicate
may be deliver-
ed to collector

Sec. 37. The trustees of such town may at their option, deliver the tax duplicate to the collector of the proper county on or before the first day of August in each year, instead of the marshal of such town, and said collector shall enter said tax, and if delinquent; the interest and penalty thereon, upon his duplicate.

Compensation
of collector and
treasurer

Sec. 38. The collector of such county shall collect the corporation taxes upon such duplicate as other taxes are collected and pay the same over to the treasurer of such corporation. The collector and treasurer shall be allowed, and paid by the corporation, the same compensation as is paid by the county, for like services.

Duties of
treasurer

Sec. 39. The treasurer of every incorporated town, shall so keep his accounts as to show where, and from what sources, all moneys paid him have been derived, and to whom and when

such money, or any part thereof, have been paid. The treasurer shall grant all licenses authorized by this act, upon the presentation of the receipt of the marshal, that the money therefor has been paid to said marshal. His books, accounts, and vouchers, shall at all times be subject to the examination of the board of trustees, and it is hereby made their duty to examine the same, at a regular meeting of such board, on some day between the first and last Mondays of April, in each year, and have settlement with the said treasurer.

Sec. 40. It shall be the duty of the board of trustees, immediately after the annual settlement with the treasurer of said corporation, to publish in a newspaper if one be printed therein, or if there be no newspaper, then by posting in three or more public places, an exhibit of the receipts and expenditures, specifying the sources of such receipts, what appropriations were made, for what objects, and the specific amount of each.

Board of trustees to publish exhibits of receipts and expenditures

Sec. 41. The clerk of such town shall have the custody of the records, books and papers, of the board of trustees, and shall attend all meetings and record the proceedings of said board, and shall perform all other duties appertaining to his office, as required of him by the by-laws.

Duties of clerk

Sec. 42. The marshal of such town shall possess the powers, and be subject to the liabilities possessed and conferred by law upon constables in executing the orders of the trustees, or enforcing the by-laws and ordinances of said town.

Powers and liabilities of marshal

Sec. 43. The board of trustees shall superintend the grading, paving and improving of streets, and the building and repairing of sidewalks.

Trustees to superintend grading &c

Sec. 44. The fire wardens shall attend all fires, and give their personal superintendance to extinguish the same, and do all other acts required by the by-laws, and obey all orders given by the board of trustees in relation to the fire department. Trustees shall by virtue of their office be fire wardens.

Duties of fire wardens

Sec. 45. The trustees, clerk, assessor, treasurer and marshal, shall respectively receive for their services, such compensation as the board of trustees in their by-laws may decide, and said board shall cause to be paid all other officers of such town, for their services, a just and reasonable compensation.

Compensation of officers

Sec. 46. Whenever two-thirds of all resident owners in number, or in value of real estate, bounding both sides of any street not less

Repairing streets and sidewalks

than one square, shall petition to have such streets graded, paved or otherwise improved, or the sidewalks thereof built or repaired, or when two-thirds of the owners of real estate in number, or in value, on one side of such street shall desire a sidewalk on that side, it shall be the duty of such board, to levy, and cause to be collected by tax, upon the owner of real estate, or lots on such street or part of a street, according to the last assessed valuation of real estate, such a sum of money as is necessary for the improvement of said street or sidewalk, as in said petition requested.

Nobody exempt
from highway
tax

Sec. 47. Nothing contained in this act shall exempt the inhabitants of any town, from the payment of highway taxes legally assessed, nor from the formation of one or more road districts, irrespective of the corporate limits of such town.

Addition to
corporation

Sec. 48. When two-thirds of the owners of a tier of out-lots, adjoining an incorporated town, shall sign a petition, asking that the corporate limits of said town be extended so as to include said out-lots, the board of trustees of said town shall cause said petition to be recorded, and make an order that said tier of out-lots shall thereafter be included, and constituted a part of said corporation, and the inhabitants residing thereon, and owners thereof, shall be subject to and entitled to all privileges of said corporation.

Jurisdiction of
trustees

Sec. 49. The trustees shall have jurisdiction over any commons, or public grounds belonging to said town, and shall have power to regulate with the consent of a majority of the owners thereof, the banks, shores and wharves, of that portion of any navigable streams within the corporate limits, but no ferries heretofore or which may hereafter be established by law, shall be prejudiced or in any manner affected by the provisions of this act.

Annexing of
additional lots

Sec. 50. Whenever there shall be lots laid off, and platted, adjoining such town, and a record of the same is made in the register of deeds office of the proper county, the trustees may by a resolution of their board, extend the boundary of such town so as to include such lots; and the lots thus annexed shall thereafter form a part of such town and be within the jurisdiction thereof. The trustees shall immediately thereafter file a copy of such resolution, together with a plat and map of survey, defining the boundaries of such addition in the office of the register aforesaid.

Same

Sec. 51. When any town shall desire to annex contiguous territory thereto, not platted, or laid or recorded, the trustees shall present to the board of county commissioners, a petition setting forth the reasons for such annexation, and shall accompany the

same with a map or plat, accurately describing by metes and bounds the territory proposed to be attached, which shall be verified by affidavit. Such trustees shall give thirty days notice by publication in a newspaper printed in such town, if any, otherwise in the county, or if none there, by posting up such notice in five or more public places within the corporation; a copy of such notice shall be served on the owner or owners of such territory, if known, and are residents of the county.

Sec. 52. The board of county commissioners upon the reception ^{Same} of such petition shall consider the same, and shall have the testimony offered for or against such annexation, and if after inspection of the map and the testimony being heard, such board is of the opinion that the prayer of such petition should be granted, it shall cause an entry to be made on the order book, specifying the territory annexed with the boundaries thereof, according to the survey, which entry or an attested copy thereof shall be conclusive evidence in all courts of such annexation.

Sec. 53. When an application signed by one third of the legal ^{Dissolution of corporation} voters of any incorporated town, shall be presented to the board of trustees, in writing, asking, for a dissolution of the corporation, setting forth the reasons therefor, it shall be competent for said board if they deem the reasons good to call a meeting of the voters of said town by giving ten days notice thereof as provided in this act, to determine whether such corporation shall be dissolved.

The board of trustees shall preside at such meeting and a poll shall be opened as at any other corporation election and the voters shall vote by ballot "yes" or "no." If a majority of all the votes given shall have thereon the word "yes," and such votes shall have been given by two-fifths of all the legal voters in such town, a statement of the vote signed by the president and attested by the clerk, shall be filed in the register of deeds office of the county, and such town shall at the expiration of six months from the time of holding such meeting cease to be a corporation, and the property belonging to such corporation, after the payment of its debts and liabilities, shall be disposed of in such manner as a majority of the voters of such town at any special meeting thereof, may direct.

Sec. 54. No such dissolution shall affect the rights of any ^{Dissolution not to effect existing contracts} person in any contract or agreement to which such corporation is a party.

Sec. 55. Whenever any suit shall be instituted by an incorporated town, it shall not be required to show its compliance with any

Compliance with the provisions of this act how considered in law suits

Incorporation of towns under the provisions of this act

Penalty for violation of the provisions of this act

When debt not nullified

When to take effect

of the provisions of this act as to its organization or publication of by-laws or ordinances unless the same is controverted by affidavit.

Sec. 56. Any town heretofore not corporated may, by a resolution of the board of trustees, or other municipal board thereof entered upon the record book of the corporation, become incorporated under this act, but the same shall be deemed a surrender of all the rights and franchises acquired under any former act of incorporation or acts amendatory thereto. A copy of such resolution shall be filed with the register of deeds of the proper county, and entered by him of record. Trustees and other officers of such incorporated towns by whatever name designated performing duties of a like nature to those required of officers created by this act, shall continue to be the officers of such town, by the name as specified in this act, until superceded by the annual election.

Sec. 57. Any person violating the provisions of any ordinance of town organized under this act to which there may be a penalty affixed, may be prosecuted before a justice of the peace of such town, upon a warrant issued by such justice as in cases of misdemeanor; and such person upon conviction, shall stand committed until the fine and costs are paid or replevied.

Sec. 58. No debt or liability due to or from any incorporated town, shall be unpaid by reason of such town being brought within the provisions of this act, and becoming incorporated under it.

Sec. 59. This act shall take effect and be in force from and after its passage and approval.

Approved, January 6, 1868.

CHAPTER XV.

AN ACT TO REGULATE INCORPORATIONS.

Be it enacted by the Legislative Assembly of the Territory of Dakota:

INSURANCE COMPANIES

Section 1. It shall be the duty of each and every insurance company incorporated under the laws of this Territory, to file

with the auditor of the Territory a full and specific statement of the amount of cash paid in upon said stock, the amount of stock not paid for in cash, the amount secured by mortgage or pledges of real estate, the names and residences of the stockholders in said company, with the amount of stock owned or held, set opposite the name of each, and if not all paid up in cash, the amount unsecured and the amount secured, specifying whether by real or personal security, also set opposite the name of each, the names of all the officers and agents of the company, wherever residing, the amount of policies issued by, and outstanding against the company, at the date of said report; the amount of premiums received by said company during the preceding six months; the amount of cash on hand, the amount of bills payable and receivable at the date of said statement; the amount of real estate owned by said company, where held and owned, and in what manner such real estate became vested in said company, which report and statement shall be verified by the oath of the president and secretary of the company.

Insurance company to file statement Territorial auditor

Sec. 2. It shall be the duty of every insurance company now created, or that may hereafter be created under the laws of this Territory, to file a semi-annual statement of the affairs of said company, with the auditor of the Territory, on the first day of January and July, in each year, which statement shall be verified by the oath of the secretary of the company. Such statement shall contain:

Companies formed under the provisions of this act to file semi-annual statement with auditor

- First, The name and locality of the company.
- Second, The amount of capital stock of said company.
- Third, The amount of its capital stock paid up.
- Fourth, The assets of the company, including—
 1. The amount of cash on hand.
 2. The amount of cash in hands of agents.
 3. The real estate unincumbered.
 4. The bonds and notes of the company, and how they are secured, with the rates of interest thereon, and whether given in payment of stock subscription, or for *bona fide* loans.
 5. Debts of the company secured by mortgages.
 6. Debts otherwise secured.
 7. Debts for premiums.
 8. All other securities.

What statement to contain

Fifth, The amount of liabilities due or not due to banks or other creditors by the company.

Sixth, Losses adjusted and due.

Seventh, Losses adjusted and not due.

Eighth, Losses unadjusted.

Ninth, Losses in suspense.

Tenth, All other claims against the company.

Eleventh, The greatest amount insured by any one risk.

And the auditor shall cause a brief abstract of such statement to be published in at least one newspaper at the capital of the Territory, and such company shall pay for said publication.

Penalty for non compliance with the above requirements

Sec. 3. A failure to comply with the provisions of the two preceding sections, shall subject the president and secretary of any company, each, individually, to the penalty of one hundred dollars, to be recovered in an action at law in the name of any citizen of the Territory, one-half of the same to the use of the Territory, and the other moiety to the use of the informer.

Unlawful to hold real estate

Sec. 4. It is declared unlawful for any insurance company in this Territory to purchase or hold any real estate, save what shall be necessary for the transaction of its legitimate business of insurance; and deeds and conveyances to said company for any other purposes, are hereby declared to be void.

Agents of any company incorporated by any other territory or state to obtain certificate from auditor
Said agents to furnish statement

Sec. 5. It shall not be lawful for any agent or agents of any insurance company, incorporated by any other State or Territory, directly or indirectly, to take risks or transact any business of insurance in this Territory without first procuring a certificate from the auditor of the Territory, and before obtaining such certificate, such agent or agents shall furnish the auditor with a statement under the oath of the president or secretary of the company for which he or they may act, which statement shall show:

What statement to contain

First. The name and locality of the company,

Second. The amount of its capital stock,

Third. The amount of its capital stock paid up,

Fourth. The assets of the company, including:

1. The amount of cash on hand, and in the hands of agents and other persons.

2. The real estate unincumbered.

3. The lands owned by the company, and how they are secured, with the rate of interest thereon. Same

4. The debts of the company secured by mortgage.

5. Debts otherwise secured.

6. Debts for premiums.

7. All other securities.

Fifth, The amount of liabilities due or not due to banks or other creditors by the company.

Sixth. Losses adjusted and due.

Seventh. Losses adjusted and not due.

Eighth, Losses unadjusted.

Ninth. Losses in suspense, waiting for further proof.

Tenth. All other claims against the company.

Eleventh, The greatest amount insured by any one risk.

Twelfth. The greatest amount allowed by the rules of the company to be insured in any one city, town or village.

Thirteenth. The greatest amount allowed to be insured in any one block.

Fourteenth. The act of incorporation of such company.

Which statement shall be filed in the office of said auditor, together with a written instrument under the seal of the company, signed by the president and secretary, authorizing such agent to acknowledge service, consenting that service of process upon such agent shall be taken and held to be as valid as if served upon the company, according to the laws of the Territory, or any State or Territory, and waiving all claims of errors by reason of such service; and no insurance company or agents of any insurance company, incorporated by any other State or Territory, shall transact any business of insurance in this Territory, unless such company is possessed of at least one hundred thousand dollars of actual capital, invested in stocks of at least par value, or in bonds or mortgages on real estate worth double the amount for which the same is mortgaged, and upon filing the aforesaid statement and instrument with the auditor of the Territory and furnishing him with satisfactory evidence of such instrument as aforesaid, it shall be the duty of said auditor to issue a certificate thereof, with authority to transact business of insurance, to the agent or agents applying

for the same, and the auditor may demand and receive two dollars for every such certificate, to be paid by the company.

Making it unlawful for any company, association, firm, &c to transact business without certificate of auditor

Sec. 6. It shall be unlawful for any incorporated company or as sociation, partnership, firm, or individual, or any member or agent or agents thereof, or for any agent or agents of any company incorporated by any foreign government other than a state of this Union, to transact any business of insurance in this Territory without procuring a certificate of authority from the auditor of this Territory, such company, association, partnership, firm, or individual, or any agent or agents thereof, having first filed, under oath, in the office of said auditor, a statement setting forth the charter or act of incorporation of any and every such incorporated company, and the by-laws, co-partnership agreement and articles of association of any and every such unincorporated company, association, partnership or firm, and the name and residence of such individual, and the names and residences of the members of every such partnership or firm, and the matters required to be specified by the provisions of this chapter, and the written authority therein mentioned, and furnish evidence, to the satisfaction of the auditor of the Territory, that said company has invested in stocks of some one or more of the States of this Union, or of the United States, the amount of one hundred thousand dollars, and that such stocks are held by citizens of the United States, or in bonds or mortgages of real estate situated within the United States, fully securing the amount for which the same is mortgaged, or bonds of cities of the United States, the aggregate market value of the investment of the company in which shall not be less than one hundred thousand dollars, and such incorporated company or unincorporated company, association, partnership, firm or individual, or any agent or agents thereof, filing said statement and furnishing evidence of investment, as aforesaid, shall be entitled to a certificate of authority for such body or individual, in like manner as is provided in this chapter.

Certificate to be renewed annually

Sec. 7. The statement and evidences of investment required by this chapter, shall be renewed annually in the month of January of each year. The auditor of the Territory, upon being satisfied that the capital securities and investments remain secure, shall furnish a renewal of certificates as aforesaid. And the company, agent or agents obtaining such certificate, shall file the same, together with the statement upon which it was obtained or renewed, in the office of the auditor of the Territory.

Sec. 8. Any person or firm in this Territory who shall receive or receipt for any money, on account of or for any contract of insurance made by him or them, or for any such insurance company or individual aforesaid, or who shall receive or receipt for money from other persons to be transmitted to any such company or individual aforesaid, for a policy or policies of insurance or any renewal thereof, although such policy or policies of insurance may not be signed by him or them as agent or agents of such company, or who shall in any wise, directly or indirectly, make or cause to be made any contract or contracts of insurance, for or on account of such company aforesaid, shall be deemed, to all intents and purposes, an agent or agents of such company, and shall be subject and liable to all the provisions of this chapter.

Who to be considered as agents

Sec. 9. Copies of all papers required by this chapter to be deposited in the office of the auditor to be true and correct copies of such papers, shall be received as evidence in all courts and places, in the same manner and have the same force and effect as the original would have produced.

Copies of papers deposited with auditor to be received as evidence

Sec. 10. Any person or persons violating the provisions of this subdivision shall upon conviction thereof, in any court of competent jurisdiction, be fined in any sum not exceeding one thousand dollars, or imprisoned in the county jail not more than thirty days, or both, at the discretion of the court. Violations of the provisions of this subdivision may be prosecuted by information filed by the prosecuting attorney of the proper county, or by indictment of the grand jury.

Penalty for violation of the provisions of this subdivision

Sec. 11. Any insurance company complying with the provisions of this subdivision, and securing the certificate of the auditor for any of its agents, shall not be required to furnish the single statement, and evidences required hereby for more than one of such agents, which being filed with the auditor of this Territory, shall be deemed a sufficient compliance for its freetransaction of business in this Territory.

What deemed compliance

Sec. 12. If any insurance company, firm or individual, or their agent or agents, having filed its or their statement as required by this subdivision, and conformed to the requirements thereof, shall have on deposit in any other State or Territory,

Guarantee fund to be deposited

same

or elsewhere than in this Territory, any portion of its capital or earnings as a guarantee fund for the exclusive benefit or security of persons insured in such State or Territory, or other place, it shall be the duty of the auditor of the Territory to withhold from such body or individual so alienating any such portion of their capital or resources, the certificates and authority in this subdivision provided for, until such body or individual shall file with the auditor of the territory, a statement, duly verified by the oath or affirmation of the president or secretary of such incorporated company, association, partnership, or firm, or of such individual, showing the amount of premiums received in this territory by such company during the year ending on the first day of January next preceding the filing of said statement, and shall deposit it in this territory, in such manner as the auditor of the territory shall direct, five per cent. of the amount received in money, or any solvent state or United States stocks of at least par value, or mortgages on real estate situated in this territory, of at least double the value for which the same is mortgaged; which statement and deposit shall be so made from year to year, at the time of each renewal or original grant of authority by said auditor, until the sum of forty thousand dollars is deposited as aforesaid, which said sum and every yearly part thereof deposited as aforesaid, shall be held under control of such auditor of the territory, as a guarantee fund for the benefit of such persons as may be in any manner insured in their property by such company in this Territory, and the same or any part of the sum so deposited, shall not be drawn out of the depositors, until all claims for losses or premiums, shall be paid and discharged, or until all deposits made in other States, Territories, or other places not within this Territory shall be withdrawn; and in case of the insolvency of any such company, the sums so deposited as aforesaid shall be applied by the auditor of the Territory, *pro tanto*, towards the payment of all claims against such body or individual, filed in his office, duly liquidated and authenticated, and losses and premiums or risk unpaid on policies issued within six months after such insolvency may occur. Any such body or individual shall be deemed insolvent, upon failure to pay any undisputed loss insured against within this Territory for the space of ninety days after

final judgment for the amount of any loss so insured against, when no appeal shall have been taken from such judgment by either party, or other proceeding begun to vacate, modify, reverse or review such judgment, or to arrest the same, or to obtain a new trial. Such body or individual shall be entitled to receive the interest or dividends on such stocks so deposited from time to time as the same may become due. This section shall not apply to any of the aforesaid bodies or individuals who have made no such deposits, as in this section mentioned, elsewhere than in this Territory.

Sec. 13. Mutual insurance companies incorporated by any State or Territory other than Dakota, upon filing in the office of the auditor the act of incorporation of said company, together with a written instrument under seal of said company signed by the president and secretary of said company under oath, certifying that said company is possessed of a capital of at least one hundred thousand dollars, secured by lien on real estate, worth at cash valuation, at least five times the amount of said capital, and not encumbered to more than one-fourth of said valuation, shall be entitled to a certificate from said auditor, with authority to transact business of insurance in this Territory, and said company shall be exempt from the provisions of this subdivision, with the exception of publication of statement and certificate of the auditor.

Mutual insurance companies entitled to certificate, when

Sec. 14. It shall be the duty of the agent or agents in either of the foregoing sections mentioned, before taking any risks or transacting any business of insurance in this Territory, to file in the office of the county clerk of the county in which he or they may desire to establish an agency for any such company, a copy of the statement required to be filed with the auditor of the Territory as aforesaid, together with a certificate of such auditor, which shall be carefully preserved for public inspection by said clerk; and said statement and certificate shall be published one week in one daily and four weeks in one weekly newspaper printed and published in the county in which such agent or agents, has or have his or their office of business as such agent or agents; and if no daily paper is published in such county, then such publication shall be sufficient if made in one weekly newspaper as aforesaid, but if no

Copy of statement filed with auditor to be filed with County Clerk

weekly newspaper be printed or published in such county, then such publication shall be made in one weekly newspaper of this Territory of most general circulation in such county.

COLLEGES, UNIVERSITIES, NORMAL SCHOOLS, ACADEMIES, ETC.

To incorporate
colleges,
universities &c,

Sec. 15. Any number of persons, not less than five, desiring to establish a college, university, normal school, or other institution for the purpose of promoting education, religion, morality, agriculture or the fine arts, may, by complying with the provisions of this subdivision, become a body corporate and politic with perpetual succession, and may assume a corporate name by which they may sue and be sued, plead and be impleaded in all courts of law and equity; may have a corporate seal, and the same alter and break at pleasure; may hold all kinds of estate, real, personal or mixed, which they may acquire by purchase, donation, devise, or otherwise, necessary to accomplish the objects of the corporation, and the same to dispose of and convey at pleasure.

To ascertain
amount of pro-
perty of any
company
desirous of be-
coming a body
corporate

Sec. 16. To ascertain the property and value thereof, of any institution desirous of becoming a body corporate, under the provisions of this subdivision, it shall be the duty of the probate judge of any county of this Territory, on application in writing, of any number of persons not less than five, of whom not less than five shall be resident freeholders of the county where such application is made, or where such institution is or is intended to be located, setting forth the objects for which they desire to become incorporated, to select three disinterested freeholders of the county and voters therein, as appraisers, who shall first take an oath for the faithful discharge of their duties, before some competent officer, and such appraisers shall then proceed to make a schedule, and upon actual view to appraise the true value, in money, of all such goods, chattels, lands and tenements, choses in action, rights, credits and subscriptions as such applicants shall exhibit to such appraisers, and shall return such schedule with their appraisal, and certificate of some officer authorized to administer oaths, that such appraisers were first duly sworn by him to discharge their duties as such appraisers, to the probate judge of the proper county; and if the amount so found shall be equal to the sum

required for the commencement of any such institution as said applicants desire, such probate judge shall give such applicants a certificate of the fact, and they shall enter it in a book of records, by them provided for that purpose, which certificate, together with the corporate name and the articles of association, they shall also cause to be recorded in the county clerk's office of the county where such institution is or is intended to be located, and they shall thenceforward be a body corporate and politic, according to the provisions of this subdivision, and such probate judge, appraisers and county clerk shall be entitled to the same fees as for like services in other cases, and no more.

Sec. 17. The incorporators of any college or university, which may be organized in accordance with the provisions of this subdivision, may elect five or more trustees of whom not less than five shall be resident freeholders of the county where such college or university is located, who shall constitute a board of directors for such institution, and they shall have power to fill vacancies that may occur in their board, and shall hold their offices until their successors are elected and qualified according to the rules and by-laws that may be adopted by the board of trustees, but at all times at least five of such board of trustees shall be residents, freeholders of the county where such institution is located, and when any such board, in their corporate name, shall have acquired for the benefit of such institution five thousand dollars, in real and personal property, to be ascertained as herein provided, said trustees shall have power to appoint a president, professors, tutors and teachers, and any other necessary agents and officers, and fix the compensation of each, and may enact such by-laws not inconsistent with the laws of this Territory or the United States, for the government of the institution, and for conducting the affairs of the corporation, as they may deem necessary, and shall have power to confer, on the recommendation of the faculty, all such degrees and honors as are conferred by colleges and universities of the United States, and such others, having reference to the course of studies and the accomplishment of the student, as they may deem proper.

Election of
trustees, their
powers &c,

Sec. 18. In case it should happen that an election for direc-

Corporation when not dissolved tors should not be held on the day appointed by the by-laws of any institution or company formed under the provisions of this subdivision, such corporation shall not, for that reason, be deemed to be dissolved, but it shall be lawful on any other day to hold a meeting and elect its directors in such manner as shall be prescribed by the by-laws thereof.

Trustees may hold property devised &c, in trust Sec. 19. The trustees of any university, college or academy may hold in trust, any property devised, bequeathed or donated to such institution, upon any specific trust, consistent with the object of said corporation.

Faculty Sec. 20. The president and professors shall constitute the faculty of any literary college or university instituted under the provisions of this subdivision, and have power to enforce the rules and regulations enacted by the trustees for the government and discipline of the students, and to suspend and expel offenders, as may be deemed necessary.

Amount necessary to establish an academy Sec. 21. When any number of persons shall have procured by subscription, donation, purchase or otherwise, the sum of five hundred dollars for the purpose of establishing and sustaining an academy, such persons may adopt a corporate name and enter the same in the county clerk's office of the proper county, and proceed to the election of such officers and teachers as they may deem necessary, may in their corporate name, sue and be sued, plead and be impleaded, in any court of law or equity of competent jurisdiction, and may have a corporate seal, may purchase and hold personal or real estate, and dispose of the same at pleasure, and do all other acts and things necessary for the promotion of education and the general interest of such academy.

Privileges under this subdivision Sec. 22. Any college, university or academy, now instituted, may come under the provisions of this subdivision by complying with the requisitions herein contained, and all such institutions now in existence, or that may hereafter be established, may connect therewith, to be used as a part of their course of education, any mechanical shops, or machinery or lands for agricultural purposes, not exceeding three hundred and twenty acres, to which may be attached all necessary buildings for carrying on the mechanical or agricultural purposes of such institution.

Sec. 23. Any company which may be formed in pursuance of this subdivision, or which may now exist by virtue of any special act of incorporation, the property of which is held as stock, and not derived by donation, gift, devise or gratuitous subscription, may increase its capital stock or change it into scholarships, when it becomes necessary for the purpose of carrying out the object for which such company or corporation is formed, in the following manner: the directors, for the time being, shall make out and sign a certificate in which they shall set forth the amount to which such capital stock is to be increased, and the object, which certificate shall be deposited in the office of the county clerk of the proper county, and be by him recorded in the same manner as the articles of association and corporate name are required by this subdivision to be recorded.

May increase
stock and schol-
ar ships

Sec. 24. Before the capital stock of such company shall be increased, it shall be the duty of the directors to publish a notice signed by at least a majority of them, in a newspaper of general circulation in the county in which such institution is located, at least four consecutive weeks, appointing a time and place for holding a meeting of the stockholders of the said company, specifying the amount to which it is proposed to increase the capital stock thereof; and a vote of at least two-thirds of the shares of the stock represented at such meeting, shall be necessary to an increase of its capital stock, and to authorize the directors to make and sign the certificate mentioned in the preceding section.

Notice by
publication

Sec. 25. Any university, college or academy that may become a body corporate under the provisions of this subdivision, the property of which is not derived by donation, gift, devise or subscription, but is owned by individuals in the shape of stock subscribed or taken, the owners of said stock shall be individually liable for the debts of said corporation to the amount of their stock respectively, and also in a sum equal thereto, over and above the amount of their stock:

When stock
holders person-
ally liable

Provided, That the trustees or directors of any corporation organized under the provisions of this subdivision, the property of which is not owned by individuals in the shape of stock subscribed or taken, but is held upon trust or derived by devise,

donation, gift or subscription, shall not contract any indebtedness beyond the actual means or assets of said corporation, and if said trustees or directors contract debts or incur liabilities beyond the actual means or assets of said corporation, the trustees or directors so contracting shall be held liable in their individual capacity for the payment of the same, but the property of said corporation shall be exhausted.

Manner of becoming trustees of an endowment fund

Sec. 26. Whenever three or more persons shall desire to create a board of trustees, to become incorporated as the trustees of a college endowment fund, they shall do so in the following manner, to-wit:

Whenever, at any meeting called for that purpose, the said persons, at least three of whom shall be residents of this Territory, not less than three in number, as aforesaid, shall resolve to become a body politic and corporate, having a seal and corporate name, whereby they may sue and be sued in courts of justice in this Territory, they shall prepare a statement, setting forth the name by which they shall be called, the amount of said fund, and the manner in which, and the district to which the said fund shall be applied, whether within or without this Territory, together with the name of the persons who shall act as trustees, which said statement shall be subscribed by all the persons composing said meeting in the presence of some magistrate, or judicial officer having a seal, who shall attest the signing of the same, and the same shall be recorded in the office of the county clerk in the county where said meeting was held and thereupon the persons named in said statement as trustees, and their successors in office, shall become a body corporate and politic for purposes in said statement named and specified; and a certified copy of said record, under the hand and seal of the county clerk of said county, shall at all times be *prima facie* evidence of the existence of said corporation.

To change objects of company

Sec. 27. In any case where, in the original statement in the preceding section provided for, it is contemplated that the fund may be applied to any object, not inconsistent with the purposes of education, different from that particularly specified in said statement, the trustees above named, or their successors in office, may apply to the district court in the county where the record hereinbefore provided for was made, for the privilege to

make such change, designating particularly the purposes to which it is proposed to apply the same; and the said court, on being satisfied that such change is not inconsistent with the object of the original creation and institution of said fund, shall authorize and sanction such change.

Sec. 28. The said board of trustees and their successors in office, shall be a body politic with perpetual succession, and they shall hold their offices for such terms and receive their appointments in such manner as shall be designated in the statement on record in the office of the county clerk, as hereinbefore provided.

Term of office of trustees

BRIDGE COMPANIES.

Sec. 29. Whenever any number of persons, not less than five, associate together for the purpose of constructing a bridge over any of the streams of water in this Territory, they shall under their hands and seals, make a certificate specifying the amount of capital stock necessary, the amount of each share, the place where such bridge is to be built, and on what stream; and said certificate shall be acknowledged, certified, and forwarded to the secretary of the Territory, and by him recorded and copied; and when so incorporated, they are hereby authorized to carry on the operations named in said certificate of incorporation, and by the name and style provided in such certificate, shall be deemed a body corporate with succession, and they and their associates, successors and assigns shall have the same general corporate powers, and be subject to all restrictions hereafter provided; but in all cases the banks on both sides of the stream where the said bridge is to be erected, shall be owned by said company, or they shall obtain in writing the consent of the owner or owners of the bank where the said bridge is to be erected, to erect the said bridge as aforesaid, unless the said banks at such points shall be in a public highway.

Bridge companies to file certificate of stock

Sec. 30. The incorporators herein named shall open the books of said company for subscription to the capital of said bridge, and so soon thereafter as ten per cent. of the capital shall be subscribed, they shall call a meeting of the persons who have subscribed stock as aforesaid, and shall then and there proceed to elect five directors, who shall be stockholders in said company, who shall hold their offices as such directors for one year from and after said election and until their successors are elected and qualified, one of whom shall be

Opening subscription books &c.

president, one treasurer, and one secretary, to be named on the tickets when voted for by the stockholders as aforesaid; each stockholder shall be entitled to one vote for each and every share of stock he may own, and after the first election no stockholder shall be entitled to a greater number of votes than the number of shares he may have paid into the said company.

Treasurer of company to give bonds

Sec. 31. The treasurer of said company, before entering upon his duties of office, shall enter into a bond with good and sufficient security, to be approved by said board of directors, payable to the said company, conditioned for the faithful performance of all and singular the duties of his said office, and that he will well and truly account for and pay over to the said company all moneys and property that shall, from time to time, come into his hands by virtue of his said office, and that he will use due and proper diligence to collect all moneys and demands that from time to time shall be due and owing to the said company, which it shall be his duty by law to collect.

Duties of president

Sec. 32. The president shall preside at all meetings when present and not otherwise incapacitated, in which case, or in case of his absence, the board of directors shall choose a president from among their number, who shall perform the duties of the president at such meeting, and perform such duties as may from time to time be pointed out by the by-laws and rules of said company.

Duties of secretary

Sec. 33. The secretary shall keep a record of all meetings of the board of directors and other proceedings of said company, not required to be performed by any other officers of the said board of directors, and perform such other and further duties as may be assigned him from time to time by the rules and by-laws of the said company.

Powers of company to make by-laws &c.

Sec. 34. The company shall have power from time to time, at any regular meeting of the board of directors, to make, alter and change such by-laws and rules for the government of the said company.

Duties of company, regard to tolls

Sec. 35. The company, previous to receiving any tolls upon said bridge, shall set up and keep in a conspicuous place a board on said bridge, on which shall be written painted or printed, in a plain and legible manner, the rates of toll, which rates of toll shall have been prescribed by the district court of the proper county; and if any company shall demand or receive any greater rates of toll than the rate prescribed by said court, they shall be subject to a fine of ten dollars for each offence.

Sec. 36. The compensation of the president and other officers of such company, shall be regulated and fixed by the rules and by laws of such company from time to time.

Compensation
of officers

MANUFACTURING COMPANIES.

Sec. 37. Whenever any number of persons associate themselves together for the purpose of engaging in the business of manufacturing, they shall, under their hands and seals, make a certificate, specifying the amount of capital stock necessary, the amount of each share, the name of the place where such manufacturing establishment shall be located, and the name and style by which such company shall be known; Said certificate shall be acknowledged, certified and forwarded to the secretary of the Territory, and by him be recorded and copied; and when so incorporated, they are hereby authorized to carry on the manufacturing operations named in said certificate of incorporation, and, by the name and style provided in said certificate, shall be deemed a body corporate with succession, and they and their associates, successors and assigns shall have the same general corporate powers as conferred in this chapter upon bridge companies, and subject to all restrictions hereafter provided.

Manufacturing
companies to file
certificate
With secretary
of Territory

Sec. 38. The annual meeting of the stockholders shall be held on the first Monday of January in each year, at which meeting the directors of the company shall be elected, and such other lawful business done as the stockholders shall deem necessary and proper; and should they fail to elect directors at the annual meeting, they shall, hold a special meeting at some subsequent time for that purpose by giving thirty days notice thereof in some newspaper of general circulation in such county; the directors shall hold their offices until their successors are chosen and qualified, but no person shall be a director after ceasing to be a stockholder. Immediately after the election, the directors shall elect one of their number president of the corporation, and may appoint such other officers and agents as they may deem proper to transact their business, and prescribe the amount of compensation to be allowed them for their services, and such officers, when required by the by-laws, shall give bonds to the satisfaction of the directors, for the faithful discharge of the trust committed to them, and shall have power and are hereby authorized to make such rules, regulations and by-laws as may be necessary for their government, not inconsistent with the Organic Act of this Territory. The directors shall have the general manage-

Annual meeting.
term of office to

Term of office, &c ment of the affairs of the company, and may dispose of the residue of the capital stock at any time remaining unsubscribed, in such manner as the stockholders for the time being may prescribe, and may employ the capital and means of the company in such manufactures as they shall deem best for the company, and for the erection and maintenance of such machinery, dams, buildings, races and watercourses, subject always to the control of the stockholders, as may be necessary in the business of manufacturing, but for no other purposes than those connected with and pertaining to said business. They shall cause a record to be kept of all stock subscribed and transferred, and all business transactions, and their books and records shall at all reasonable times be open to the inspection of any and every stockholder; they shall also, when required, present to the stockholders reports in writing, of the situation and the amount of business of the company, and declare and make such dividends of the profits from the business of the company, not reducing the capital stock while they have outstanding liabilities, as they shall deem expedient.

**Who to open
subscription
books**

Sec. 39. The persons named in the certificate of incorporation, or a majority of them, shall be commissioners to open the books for the subscription to the capital stock of said company, and at such times and places as they shall deem proper, and the said company are authorized to commence operations upon the subscription of ten per cent. of said stock.

RELIGIOUS AND OTHER SOCIETIES.

**Religious and
other societies**

Sec. 40. It shall be lawful for any religious sect or denomination, fire company, or any literary, scientific or benevolent associations (other than colleges, universities, academies or seminaries,) within this Territory, to elect, at a meeting of a majority of the members of any organized church, fire company, literary, scientific or benevolent association as aforesaid, called for that purpose, any number of their members, not less than three, to serve as trustees or directors, and one member as clerk, who shall hold their offices during the pleasure of the society or association.

**Clerks to keep
record of meet-
ing**

Sec. 41. That the clerk so appointed shall make a true record of the proceedings of the meeting provided for in this subdivision, and certify and deliver the same to the clerk of the county where such meeting shall be held, together with the name by which such church, fire company or association shall there-

after desire to be known; and it shall be the duty of each county clerk in this Territory, immediately upon the receipt of such certified statement, to record the same in a book of record to be kept by him, provided for that purpose at the expense of his county, for which service he may demand the sum of ten cents per hundred words, and from and after making such record by the county clerk, the said trustees or directors, and their associated members and their successors, shall be invested with the powers and immunities incident to aggregate corporations and a certified transcript of the record herein authorized to be made by the county clerk, shall be deemed and taken in all courts and places whatsoever in this Territory as *prima facie* evidence of the existence of such association and corporation.

Clerks to keep record

Sec. 42. The trustees or directors, who may be appointed under the provisions of this subdivision, and their successors in office, shall have perpetual succession by such name as may be designated and by such name be legally capable of contracting and prosecuting and defending suits, and shall have capacity to acquire, hold, enjoy, dispose of and convey all property real and personal, which they may acquire by purchase, donation, or otherwise, for the purpose of carrying out the intentions of such society or association, but they shall not acquire or hold property for any other purpose.

Duties of trustees &c.

Sec. 43. Such society or association, when incorporated, may elect such officers and make such rules and regulations as may be necessary and expedient for its own government, and the management of its fiscal and other affairs to effect their respective objects.

Election of officers Rules &c

Sec. 44. If said board of trustees or directors, as is provided for in this subdivision, shall be vacated, either in whole or in part, by death, resignation or otherwise, such board of trustees or directors may be revived, or such vacancy or vacancies filled, in the manner pointed out in this subdivision for the original organization of said board, and a majority of said trustees or directors shall be a quorum for the transaction of business.

Revival of organization

CEMETERIES

Sec. 45. It shall be lawful for any number of persons, not

Cemetery associations

less than five, who are residents of the county in which they desire to form themselves into an association, to form themselves into a cemetery association, and to elect any number of their members, not less than three, to serve as trustees, and one member as clerk, who shall continue in office during the pleasure of the society; all such elections shall take place at a meeting of a majority of the members of such association, and after notice, for at least twenty days in a newspaper, or by posting at least three written notices at public places in the township.

Certified statement to be filed with county clerk

Sec. 46. The clerk hereinbefore authorized to be appointed, shall forthwith make out a true record of the proceedings of the meeting provided for by the preceding section, and certify and deliver the same to the clerk of the county in which such meeting shall be held, together with the name by which such association shall desire to be known; and it shall be the duty of each county clerk in this Territory, immediately upon the receipt of such certified statement, to record the same in a book by him provided for that purpose, at the expense of the county; and the clerk shall be entitled to the same fees for his services as he is entitled to demand for other similar services and from and after making of such record by the county clerk the said trustees, and their associated members and successors shall be invested with the powers, privileges and immunities incident to aggregate corporations; and a certified transcript of the record herein authorized to be made by the county clerk, shall be deemed and taken in all courts and places whatsoever, within this Territory, as *prima facie* evidence of the existence of such cemetery association.

Powers of trustees

Sec. 47. The trustees who may be appointed under the provisions of this subdivision, shall have perpetual succession and shall be capable in law of contracting, and prosecuting and defending suits at law and in equity; and where suits shall be brought against said incorporation, mesne process against it may be served by leaving an attested copy thereof with one of the trustees, at least ten days before the return day thereof.

Association may make rules

Sec. 48. Such association may have power to prescribe the terms on which members may be admitted, the number of its trustees and other officers (subject to the limitation set forth in this subdivision,) and the time and manner of their election and

appointment, and the time and place of meeting for the trustees and for the association, and to pass all such other by-laws as may be necessary for the good government of such association, not inconsistent with this or any other statute of the Territory, nor in violation of the organic act.

Sec. 49. Such association shall be authorized to purchase or take by gift or devise, and hold land exempt from execution, and from any appropriation to public purposes, for the sole purpose of a cemetery, not exceeding one hundred acres, which shall be exempt from taxation if used exclusively for burial purposes, and in nowise with a view to profit. After paying for such land, all the future receipts and income of such association; whether from the sale of lots, from donations, or otherwise, shall be applied exclusively to laying out, protecting, preserving and embellishing the cemetery and the avenues leading thereto, and to the erection of such building or buildings as may be necessary for the cemetery purposes, and to paying the necessary expenses of the association. No debts shall be contracted in anticipation of future receipts, except for originally purchasing, laying out, inclosing and embellishing the grounds and avenues, for which a debt or debts may be contracted, not exceeding one thousand dollars in the whole, to be paid out of future receipts, and such association shall have power to adopt such rules and regulations as they deem expedient for disposing of and conveying burial lots.

Land exempt
from execution.

Sec. 50. Burial lots sold by such association shall be for the sole purpose of interments, and shall be subject to the rules prescribed by the association, and shall be exempt from taxation, execution, attachment, or any other claim, lien or process whatever, if used exclusively for burial purposes and in no wise with a view to profit.

Burial lots

Sec. 51. Such association shall cause a plat of their grounds, and of the lots by them laid out, to be made and recorded, such lots to be numbered by regular consecutive numbers, and shall have power to inclose, improve and adorn the grounds and avenues, and erect buildings for the use of the association, and to prescribe rules for the inclosing and adorning lots, and for erecting monuments in the cemetery, and to prohibit any use, division, improvement or adornment of a lot which they may deem

Plat of cemetery
to be recorded.

improper, and an annual exhibit shall be made of the affairs of the association.

Penalty for
destroying, de-
facing, &c, any
tomb monu-
ment, &c.

Sec. 52. Any person who shall willfully destroy, mutilate, deface, injure or remove any tomb, monument or grave stone, or other structure placed in any cemetery, or any fence railing or other work for the protection or ornament of a cemetery, or tomb, monument or grave stone, or other structure aforesaid, or of any cemetery lot within a cemetery, or shall willfully destroy, cut, break or injure any tree, shrub or plant, within the limits of a cemetery, shall be deemed guilty of a misdemeanor, and shall, upon conviction thereof before any court of competent jurisdiction, be punished by a fine of not less than five dollars nor more than five hundred dollars, and by imprisonment in the county jail for a term of not less than one day nor more than thirty days, according to the nature and aggravation of the offense; and such offender shall also be liable, in an action of trespass in the name of the association, to pay all such damages as have been occasioned by his unlawful act or acts, which money, when recovered, shall be applied to the reparation and restoration of the property destroyed or injured as above, and in all prosecutions and suits under this chapter, members of said association shall be competent witnesses.

Cemetery not
subject to sale
on execution

Sec. 53. Lands appropriated and set apart as burial grounds, either for public or private use, and so recorded in the county clerk's office of the county where such lands are situated, shall not be subject to sale on execution on any judgment to be hereafter recovered, to taxation, to dower, nor to compulsory partition.

GENERAL PROVISIONS.

Companies
may accept of
the provisions
of this chapter

Notice by
publication

Sec. 54. All companies now incorporated in this Territory, and actually doing business, may accept any of the provisions of this chapter and when so accepted, and a certified copy of their acceptance filed with the secretary of the Territory, that portion of their charters inconsistent with the provisions of this chapter is hereby repealed. All companies hereafter incorporated, or accepting the provisions of this chapter, except those named in the fortieth section of this chapter, are required to make and publish in some newspaper of general circulation in the county where the principal office is located, an annual exhibit, showing a full, fair and detailed statement

of the condition of such company which statement shall be verified by the oath of the president, secretary and clerk.

Sec. 55. No company or association incorporated under the provisions of this chapter, shall employ its stock, means, assets or other property, directly or indirectly for any other purpose whatever than to accomplish the legitimate object of its creation.

How stock to be employed

Sec. 56. The board of directors or trustees of any company heretofore incorporated, or which may hereafter be formed under any law of this territory, may, with the written consent of the persons in whose name a majority of the shares of the capital stock thereof shall stand on books of said company, reduce the amount of the said capital stock thereof and issue certificates therefor; *Provided*, That the rights of creditors shall not be affected or in any wise impaired by the reduction of the capital stock of any such corporation.

Amount of stock may be reduced

Sec. 57. Whenever any joint stock company hereafter incorporated for the purpose of erecting any public improvement in this Territory, whose charter may be limited as to the time of completion of said improvement, and when any such company has been legally organized, and has actually commenced, and has in progress toward completion such public improvement, it shall be lawful for any such company to have further time allowed for the final completion of said work, as hereinafter provided.

Extension of time

Sec. 58. Upon petition being filed by the directors of any corporation, in the district court of the county in which the principal office of such corporation is located, and upon giving thirty days notice, by publication in a newspaper of general circulation in said county, of the object and prayer of such petition, said court shall, at any regular term after the publication of said notice, upon good cause shown, decree the extension of the time for the completion of said improvement, to such period as shall appear to such court just and reasonable.

Same

Sec. 59. All officers of any such incorporated companies, organized under the provisions of this chapter, shall be residents of this Territory; and whenever any company, association or society heretofore or hereafter incorporated, shall have failed to elect its officers at the time designated, it shall be lawful for any such company, association or society to call a meeting and elect its officers who shall hold their respective offices until the time specified for the annual or other fixed time for holding such election; and when any incorporated company heretofore organized, or that may hereafter be organized under the provisions of this chapter, shall have a specified time fixed for its annual meeting; a majority of the stockholders in interest may,

Officers must be residents of the Territory

at any regular annual meeting change the time of the annual meeting thereof.

Corporations
may alienate or
mortgage real-
estate when

Sec. 60. When any real estate shall have been or may hereafter be bequeathed, aliened, donated or otherwise entrusted to any religious society in this Territory, or to any of the trustees or officers of any such society, and such society shall be desirous to sell, exchange or encumber, by mortgage or otherwise, any such real estate; it shall be lawful for the district court of the proper county, upon good cause shown upon petition of any such real estate; and said court may include in such order directions how the proceeds of such sale or incumbrance shall be appropriated or invested; *Provided*, Such order shall in no case be inconsistent with original terms upon which such real estate becomes invested in or entrusted to such religious society.

Sec.

Sec. 61. When any religious society shall petition as is provided for in the preceding section, all persons who may have a vested, contingent or reversionary interest in the real estate sought to be sold or encumbered, shall be made parties to said petition, and such parties shall be notified of such petition in the same manner as is or may be provided for in cases of petitions for partitions of real estate;

Provided, That the provisions of this chapter shall not extend to any grounds used or occupied as burial places for the dead.

In case of dis-
solution or expira-
tion of charter

Sec. 62. Upon the dissolution, by the expiration of the term of its charter or otherwise, of any corporation now existing or hereafter created, and unless other persons be appointed by the legislature, or by some court of competent authority, the directors or managers of the affairs of such corporations, acting last before the time of its dissolution, by whatever name they may be known in law, and the survivors of them, shall be trustees of the creditors and stockholders of the corporation dissolved, and shall have full power to settle the affairs of the same, collect and pay the outstanding debts, and divide among the stockholders the moneys and property that shall remain, in proportion to the stock of each stockholder paid up, after the payment of debts and necessary expenses; and the persons so constituted trustees shall have authority to sue for and recover the debts and property of the dissolved corporation, by the name of the trustees of such corporation, describing it by its corporate name, and shall be jointly and severally responsible to the creditors and stockholders of such corporation, to the extent of its property and effects that shall come into their hands; and no suit against any such corporation shall abate in consequence of such dissolution, and said trustees

may be made parties thereto by *scire facias*; and all liens of judgments and decrees of any courts of chancery, existing at the time of such dissolution, either in favor of or against such corporation, shall continue in force in the same manner as if such dissolution had not taken place ;

Provided, That in case of the death, resignation, inability or refusal to act, of the directors or managers aforesaid, or the survivors thereof, the district court of the proper county may, on the application of any persons interested, appoint trustees to fill the vacancy, with full power to perform the duties aforesaid.

Sec. 63. No suit or action, either at law or in chancery, pending in any court in favor of or against any banking or other corporation, shall be discontinued or abated by the dissolution of such corporation, whether such dissolution occur by the expiration of its charter or otherwise ; but all such suits or actions may, in all courts of justice, be prosecuted by the creditors, assigns, receivers or trustees, having the legal charge of the assets of such dissolved corporation, to final judgment or decree, in the corporate name of such dissolved corporation.

Action against corporation not abated when

Sec. 64. Upon all judgments and decrees in favor of or against any such corporation, whether such judgments or decrees exist at the time of the dissolution of such corporations or are obtained afterwards, in suits or actions pending at the time of such dissolution, execution may be had, and satisfaction or performance of the same be enforced by the creditors, assigns, receivers or trustees having the legal charge of the assets of such dissolved corporation, in the corporate name of such dissolved corporation.

Judgment on execution

Sec. 65. The title of all real estate belonging to any such corporation shall, at the time of the dissolution of the same, pass to the trustees of such corporation, who shall have full power and authority to sell and dispose of any such real estate in such manner and upon such terms as may be thought best for the interest of the creditors and stockholders, and upon any such sale to make a good and sufficient title therefor.

Disposition of real estate on dissolution of company

Sec. 66. The trustees of any such dissolved corporation shall be subject to the control of the court of chancery, and be liable to be sued by petition in chancery, on behalf of any person interested, on account of any neglect or omission of duty, or abuse of trust ; and in case of the removal of any such trustee by such court for an abuse of trust, such court shall have the power and authority to appoint a suitable person to fill the vacancy, and any such trustee may,

Trustees may be sued

for reasonable cause, upon the application of any creditor or stockholder, be required by the district court to give bond and security in such amount and subject to such conditions as the court may direct.

dissolved corporation may prosecute suit

Sec. 67. Any corporation created by this chapter may, at any time after its dissolution, whether such dissolution occur by the expiration of its charter or otherwise, prosecute any suit at law or in equity, in and by the corporate name of such dissolved corporation, for the use of the party entitled to receive the proceeds of any such suit, upon any and all causes of action accrued, or which, but for such dissolution, would have accrued in favor of such corporation, in the same manner and with the like effect as if such corporation were not dissolved.

May be sued

Sec. 68. Any such dissolved corporation may be sued at law or in equity, in and by its corporate name, for or upon any cause of action accrued, or which but for such dissolution would have accrued against such corporation, in the same manner and with the like effect as if such corporation were not dissolved, and all process by which any suit, either at law or in equity, may be instituted against any such dissolved corporation, may be served by the sheriff or any other proper officer by delivering to any one of the assignees, trustees, receivers or persons having charge of the assets of such dissolved corporation, a copy thereof, or by leaving such copy at the residence of any such assignee, trustee, receiver or person having charge of such assets.

Judgments or decrees for or against

Sec. 69. Judgments and decrees, in favor of or against any such dissolved corporation, whether such judgments and decrees were rendered before or after such dissolution, and which have heretofore, or may at any time hereafter become dormant, may be revived in favor of or against such dissolved corporation, as the case may be, in and by the corporate name of such dissolved corporation, in the same manner and with the like effect as if such corporation were not dissolved; and in all cases of judgments or decrees against any such corporations, the writ of *scire facias* or other proper process shall be served in the manner prescribed in the preceding section for the process in suits against dissolved corporations.

Writs of error &c.

Sec. 70. Writs of error upon judgments at law may be sued out, and bills of review in chancery may be exhibited, in favor of or against any such dissolved corporation, and by its corporate name, in the same manner and with the like effect as if such corporation were not dissolved, and process thereon against any such dissolved

corporation shall be served in the manner prescribed in this subdivision.

Sec. 71. Nothing in this chapter contained shall at any time be construed as extending or reviving the charter of any banking or other corporation, dissolved either by effluxion of time or otherwise, for any other purpose than that of judicial proceedings, in favor of or against the same.

Construction of this chapter

RAILROAD COMPANIES.

Sec. 72. Any number of natural persons, not less than five, may become a body corporate with all rights, privileges and powers conferred by, and subject to all the restrictions of this subdivision.

What number necessary to constitute a railroad company

Sec. 73. That any number of persons as aforesaid, associating to form a company for the purpose of constructing a railroad, shall under their hand, make a certificate which shall specify as follows:

Must file certificate with secretary of the territory

1. The name assumed by such company and by which it shall be known.

2. The names of the places of the termini of said road, and the county or counties through which such road shall pass.

3. The amount of capital stock necessary to construct such road. Such certificate shall be acknowledged before a notary public, and certified by the clerk of the district court in the same manner as is provided for the conveyance of real estate, and shall be forwarded to the secretary of the Territory, who shall record and carefully preserve the same in his office; and a copy thereof duly certified by said secretary under the seal of the Territory, shall be *prima facie* evidence of the existence of such corporation.

Sec. 74. That when the foregoing provisions have been complied with, the persons named as corporators in said certificate, are hereby authorized to carry into effect the objects named in such certificate in accordance with the provisions of this act, and they, and their associates, successors and assigns, by the name and style provided in said certificate, shall thereafter be deemed a body corporate, with succession, with power to sue and be sued, plead and be impleaded, defend and be defended, contract and be contracted with, acquire and convey at pleas-

Power of company

ure all such real and personal estate as may be necessary and convenient to carry into effect the objects of the corporation ; to make and use a common seal, and the same to alter at pleasure, and do all needful acts to carry into effect the objects for which it was erected. And such company shall possess all the powers, and be subject to all the rules and restrictions provided by this subdivision.

Same

Sec. 75. Said corporation shall be authorized and empowered to lay out, locate, contract, furnish, maintain, operate and enjoy a railroad with single or double tracks, with such side tracks, turn outs, offices and depots as shall be necessary, between the places of the termini of the said road, commencing at or within, and extending to or into any town, city or village, named as the places of the termini of said road, and construct branches from the main line to other towns or places within the limits of this Territory.

Division of stock into shares

Sec. 76. The capital stock of such company shall be divided into shares of one hundred dollars each, and consist of such sum as may be named in the certificate ; such shares shall be regarded as personal property, and shall be subject to sale or transfer, and to execution at law.

Payment of installments

Sec. 77. An installment of ten per cent. on each share of stock, shall be payable at the time of making the subscription, and the residue thereof shall be paid in such installments, and at such times and places as may be required by the directors of such company.

Collection of installments

Sec. 78. If any installment of stock shall remain unpaid for sixty days after the time it may be required or specified in the call by order of the board of directors, whether said stock is held by an assignee, transferee, or original subscriber, the same may be collected by action of debt, or the directors may, at their election, serve upon such stockholder, in case he shall be a resident of the Territory, thirty day's notice in writing, that such installment has been due and unpaid for the term aforesaid, or in case such stockholder shall be a non-resident of this Territory, publish in some newspaper printed at the capital of this Territory, and of general circulation in this Territory, a like notice that such installment has been due and unpaid for the term aforesaid, and if the said installment shall not be paid,

with all the charges and expenses incurred in the proceedings hereby prescribed, within ninety days after the service of notice or the last publication, provided for as aforesaid, the said stock, and all the right, title and interest of the said assignee, transferee, or original subscriber therein, shall by virtue of such failure, and without further action by such company, become forfeited, and may be disposed of by said company as it sees proper.

Sec. 79. That whenever any railroad company heretofore incorporated, or created and incorporated under the provisions of this act, shall, in the opinion of the directors thereof, require an increased amount of capital stock, they shall, when authorized by the holders of a majority of the stock, file with the secretary of the Territory or State, a certificate, setting forth the amount of such desired increase, and thereafter such company shall be entitled to have such increased capital as is fixed by said certificate.

May increase
amount of stock

Sec. 80. That the persons named in said certificate of incorporation, or any three of them shall be authorized to order books to be opened for receiving subscriptions to the capital stock of said company, at such time or times, and at such place or places as they may deem expedient, after having given at least thirty day's notice, in a newspaper published, or generally circulated in one or more counties where books of subscription are to be opened, of the time and place of opening books; and so soon as ten per centum on the capital stock shall be subscribed, they may give like notice for the stockholders to meet at such time and place as they may designate, for the purpose of choosing seven directors who shall continue in office until the time fixed for the annual election, and until their successors are chosen and qualified. At the time and place appointed, directors shall be chosen by ballot, by such of the stockholders as shall attend for that purpose, either in person or by lawful proxies. Each share shall entitle the owner to one vote, and a plurality of votes cast at such election shall be necessary for a choice; but after the first election for directors, no person shall vote on any share on which any installment is due and unpaid. The persons named in such certificate, or such of them as may be present, shall be inspectors of such election,

Opening
subscription
books

and shall certify what persons are elected directors, and appoint the time and place for holding their first meeting. A majority of said directors shall form a board, and be competent to fill vacancies therein, make by-laws not inconsistent with the provisions of this act or the laws of this Territory, and alter the same at pleasure, and transact all business of the corporation. A new election shall be annually held for directors, at such time and place as the stockholders, at their first meeting shall determine, or as the by-laws of the corporation may require; and the directors chosen at any election shall, so soon thereafter as may be convenient, choose one of their number to be president, and shall appoint a secretary and treasurer of the corporation. The directors shall from time to time, make such dividends of the profits of the said company as they may think proper, and the said by-laws and all other actions, and revisions thereof, shall be recorded and preserved in the office of the secretary of the Territory or State, in the same manner as the certificate provided for in section 78 of this act.

Rights of corporation

Sec. 81. Such corporation is authorized to enter upon any land for the purpose of examining and surveying its railroad line, and may take, hold and appropriate so much real estate as may be necessary for the location, construction and convenient use of its road, including all necessary grounds for stations, buildings, workshops, depots, machine shops, switches, side tracks, turn tables and water stations; all materials for the construction and repair of said road and its appurtenances; and a right of way over adjacent lands, sufficient to enable such company to construct and repair its road, and a right to conduct water by aqueducts, and the right of making proper drains;

Provided, That the lands so held, taken and appropriated, otherwise than by the consent of the owner, shall not exceed two hundred feet in width, except for wood and water stations, and depot grounds, unless where greater width is necessary for excavation, embankments, or depositing waste earth; and,

Provided, further, That no appropriation of private property, for the use of any corporation provided for in this subdivision, shall be made, until full compensation therefor be first made or secured to the owners thereof.

Sec. 82. Whenever any railroad company, heretofore incor- ^{Same}porated, or which may hereafter be incorporated, shall find it necessary, for the purpose of avoiding annoyance to public travel, or dangerous or difficult curves or grades, or unsafe or unsubstantial grounds or foundations, or for other reasonable causes, to change the grade or location of any portion of their road, whether heretofore made, or hereafter to be made, such railroad companies shall be and are hereby authorized to make such changes of grade and location, not departing from their general route. And for the purpose of making any such change in the location and grades of any such roads as aforesaid, such companies shall have all the rights, powers and privileges to enter upon, and appropriate such lands and make surveys necessary to effect such changes and grades, upon the same terms, and be subject to the same obligations, rules and regulations as are prescribed by law; and shall also be liable in damages, when any may have been caused by such change to the owner, or owners of lands upon which such road was heretofore constructed, to be ascertained and paid, or deposited as herein provided; but no damages shall be allowed, unless claimed within ninety days after actual notice in writing of such intended change shall be given to such owner or owners residing on the premises, or notice by publication in some newspaper in general circulation in the county, if non-resident.

Sec. 83. If it shall be necessary, in the location of any part of any railroad, to occupy any road, streets, alley, or public way or ground of any kind, or any part thereof, it shall be competent for the municipal or other corporation or public officer or public authorities, owning or having charge thereof, and the railroad company, to agree upon the manner, and upon the terms and conditions upon which the same may be used or occupied; and if said parties shall be unable to agree thereon, and it shall be necessary, in the judgment of the directors of such railroad company, to use or occupy such road, street, alley or other public way or ground, such company may appropriate so much of the same as may be necessary for the purposes of such road, in the same manner and upon the same terms as is provided for the appropriation of the property of individuals by the eighty-first section of this chapter.

Borrowing
money

Sec. 84. Such company shall have power to borrow money on the credit of the corporation, and may execute bonds or promissory notes therefor, and to secure the payment thereof, may pledge the property and income of such company.

of Purchasing
and selling
bonds

Sec. 85. Such company may acquire, by purchase or gift, any lands in the vicinity of said road, or through which the same may pass, so far as the same may be deemed convenient or necessary by said company to secure the right of way to such as may be granted to aid in the construction of such road, and the same to hold or convey in such manner as the directors may prescribe; and all deeds and conveyances made by such company shall be signed by the president under the seal of the corporation, and any existing corporation may accept the provisions of this subdivision, by filing in writing their acceptance thereof, under the seal of said corporation, in the office of the secretary of the Territory. And upon filing such acceptance, such corporation shall, from the date thereof, succeed to, and become invested with all the rights, privileges, immunities and powers conferred by this subdivision without reorganizing. The said secretary shall record and preserve such acceptance in his office, and a copy thereof, duly certified by said secretary, under the seal of the Territory, shall be evidence in all the courts of this Territory, of such acceptance.

of crossing
public highways

Sec. 86. Any railroad company may construct and carry their railroad across, over or under any road, railroad, canal, stream or water-course, when it may be necessary in the construction of the same; and in such cases said corporation shall so construct their railroad crossings as not unnecessarily to impede the travel, transportation or navigation upon the road, railroad, canal, stream or water-course so crossed. Said corporation shall have the right to change the channel of any stream or water-course from its present location or bed, whenever it may be necessary in the location, construction or use of their said road;

Provided, They do not change its general course, or materially impair its former usefulness.

Must establish
an office

Sec. 87. Such corporation shall, upon commencing business, establish an office at some point on the line of its road, and may change the same at pleasure.

Sec. 88. Each and every railroad company, incorporated under this subdivision, and such as shall hereafter accept the same, shall annually, in the month of January, make, upon the oath of the president, secretary or treasurer, a full report of the condition of its affairs to the auditor of the Territory, showing the amount of the capital stock of such company, the gross amount of receipts during the previous year, the cost of repairs and incidental expenses, the net amount of profits and the dividends made, with such other facts as may be necessary to a full statement of the affairs and condition of such road; and the auditor shall incorporate an abstract thereof in his annual report to the general assembly.

Company to
make annual
report to
Territorial
auditor

Sec. 89. Whenever the lines of railroad of any railroad companies in this Territory, or any portion of such lines, have been or may be constructed, so as to admit the passage of burden or passenger cars over any two or more of such roads continuously, without break of gauge or interruption, such companies are hereby authorized to consolidate themselves into a single corporation, in the manner following: The directors of two or more corporations may enter into an agreement, under the corporate seal of each, for the consolidation of the said two or more corporations, prescribing the terms and conditions thereof;

When companies
may consolidate

The mode of carrying the same into effect;

The name of the new corporation;

The number of the directors thereof, which shall not be less than seven;

The time and place of holding the first election of directors;

The number of shares of capital stock in the new corporation;

The amount of each share;

The manner of converting the shares of capital stock in each of said two or more corporations, into shares in such new corporation;

The manner of compensating stockholders in each of said two or more corporations, who refuse to convert their stock into the stock of such new corporation, with such other details as they shall deem necessary to perfect such consolidation of said corporations;

And such new corporations shall possess all the powers, rights and franchises conferred upon such said two or more corporations, and shall be subject to all the restrictions, and perform all the duties imposed by the provisions of this subdivision :

Provided, That all stockholders in either of such corporations who shall refuse to convert their stock into the stock of such new corporation, shall be paid the market value of said stock, at the date of such consolidation.

How to consolidate

Sec. 90. Such agreement of the directors shall not be deemed to be the agreement of the said two or more corporations until after it has been submitted to the stockholders of each of the said corporations separately, at a meeting thereof, to be called upon a notice of at least ninety days ; specifying the time and place of such meeting, and the object thereof, to be addressed to each of such stockholders, when the place of residence is known ; and deposited in the post office, and published at least for six successive weeks, in one newspaper in one of the cities or towns in which each of said corporations has its principal office of business ; and has been sanctioned by such stockholders, by the vote of at least two-thirds in the amount of the stock represented at such meeting ; voting by ballot in regard to such agreement, either in person or by proxy, each share of capital stock being entitled to one vote. And when such agreement of the directors has been so sanctioned by each of the meetings of the stockholders, separately, after being submitted to such meetings in the manner above mentioned, then such agreement of the directors shall be deemed to be the agreement of the said two or more corporations.

Duplicate of agreement to be filed with the Secretary of the Territory

Sec. 91. Upon making the agreement mentioned in the preceding section, in manner required therein, and filing a duplicate in counterpart thereof, in the office of the secretary of the Territory, the said two or more corporations (mentioned or referred to in the last two preceding sections, or any other law of this Territory,) shall be merged in the new corporation provided for in such agreement, to be known by the corporate name therein mentioned ; and the details of such agreement shall be carried into effect as provided therein.

Sec. 92. Upon the election of the first board of directors of the corporation created by the agreement in the preceding section mentioned, and by the provisions of this subdivision, all and singular the rights and franchises of each and all of said two or more corporations, parties to such agreement, all and singular the rights and interests in and to every species of property, real personal and mixed, and things in action, shall be deemed to be transferred to, and vested in such new corporation, without any other deed or transfer. And such new corporation shall hold and enjoy the same together with the right of way and all other rights of property, in the same manner and to the same extent as if the said two or more corporations, parties of agreement, should have continued to retain the title and transacted the business of such corporations. And the titles, and the real estate acquired by either of said two or more corporations, shall not be deemed to revert or be impaired by means of anything in this subdivision contained;

Property when
deemed vested

Provided, That all rights of creditors, and all liens upon the property of either of said corporations, shall be, and hereby are preserved unimpaired; and the respective corporations shall continue to exist, as far as may be necessary to enforce the same; and,

Provided, further, That all debts, liabilities and duties of either company shall henceforth attach to such corporation and be enforced to the same extent and in the same manner as if such debts, liabilities and duties had been originally incurred by it.

Sec. 93. When any two or more railroad companies shall have consolidated, as contemplated by the provisions of this subdivision; such companies so consolidated, shall keep each and every railroad line that may come into its possession by such consolidation, in good running order, with sufficient rolling stock to transport the freight and passengers. They shall not discriminate against business of either or any of said railroad lines, either directly or indirectly, by the detention of freight or passengers, or by charging more freight or passage than is charged in proportion upon any other railroad line under the control of said company so consolidated.

Duties of such
consolidated
company

Sec. 94. Any railroad company heretofore or hereafter incorporated may, at any time by means of subscription to the capital stock of any other company, or otherwise aid such company in the con-

When company
may aid another

struction of its railroad, for the purpose of forming a connection of said last mentioned road with the road owned by the company furnishing such aid ; or any railroad company existing in pursuance of law, may lease or purchase any part or all of any railroad constructed by any other company ; if said company's lines of said road are continuous or connected as aforesaid, upon such terms and conditions as may be agreed on between said companies respectively ; or any two or more railroad companies whose lines are connected, may enter into an agreement for their common benefit consistent with, and calculated to promote the objects for which they were created ;

Provided, That no such aid shall be furnished, nor any purchase, lease or arrangement perfected, until a meeting of the stockholders of each of said companies shall have been called by the directors thereof, at such time and place and in manner as they shall designate, and the holders of at least two-thirds of the stock of such company, represented at such meeting either in person or by proxy, and voting thereat, shall have assented thereto.

Damages to be
paid for forcible
entry upon
private lands

Sec. 95. Any railroad corporation may purchase and use real estate for a price to be agreed upon with the owners thereof ; or the damages to be paid by such corporation for any real estate taken as aforesaid, when not agreed upon, shall be ascertained and determined by commissioners to be appointed by the probate judge of the county wherein such real estate is situated, in conformity with the provisions of this subdivision ;

Proviso

Provided, That if the company shall need or require, for the purpose of constructing said railroad, to take and occupy any real estate, in any unorganized county or other unorganized country in this Territory, where there is no probate judge, then the probate judge of the first organized county east of said lands, upon the line of said road, shall appoint commissioners, to assess said damages and perform all other duties required by the probate judges, and commissioners by terms of this subdivision, and either shall have the right of appeal, as in other cases provided for by this subdivision.

Same

Sec. 96. Whenever any railroad corporation shall take any real estate as aforesaid, of any minor, insane person, or any married woman whose husband is under guardianship, the guardian of such minor or insane person, or such married woman with the guardian of such husband may agree and settle with said corporation for all damages or claims by reason of the taking of such real estate, and may give valid releases and discharges therefor.

Sec. 97. If the owner of any real estate over which said railroad corporation may desire to locate their road, shall refuse to grant the right of way through his or her premises, the probate judge of the county in which said real estate may be situated, as provided in this subdivision, shall, upon the application of either party, direct the sheriff of said county to summon six disinterested freeholders of said county, to be selected by said probate judge and not interested in a like question, unless a smaller number is agreed upon by the parties, whose duty it shall be to inspect said real estate and assess the damages which said owner will sustain by the appropriation of his land to the use of said railroad corporation, and make report in writing to the probate judge of said county, who after certifying the same under his seal of office, shall transmit the same to the county clerk of said county for record, and the said county clerk shall file, record and index the same in the same manner as is provided for the record of deeds in this Territory, and such record shall have the like force and effect as the record of deeds in pursuance of the statute in such case made and provided. And if said corporation shall, at any time before they enter upon said real estate for the purpose of constructing said road, pay to said probate judge for the use of said owner, the sum so assessed and returned to him as aforesaid, they shall thereby be authorized to construct and maintain their road over and across said premises ;

In case of refusal of right of way by owner of land

Provided, That either party may have the right to appeal from such assessment of damages to the district court of the county in which such lands are situated, within sixty days after such assessment. And in case of such appeal, the decision and finding of the district court shall be transmitted by the clerk thereof, duly certified, to the county clerk, to be filed and recorded, as hereinbefore provided, in his office. But such appeals shall not delay the prosecution of the work on said railroad, if such corporation shall first pay or deposit with said probate judge the amount so assessed by said freeholders; and in no case shall said corporation be liable for the costs on such appeal, unless the owner of such real estate shall be adjudged entitled, upon the appeal, to a greater amount of damages than was awarded by said freeholders. The company shall, in all cases, pay the cost of the first assessment ;

Provided, That either party may appeal from the decision of the district court of the Territory, and the money so deposited, shall remain in the hands of the probate judge until a final decision be had, subject to the order of the supreme court.

Same

Sec. 98. Freeholders so appointed shall be commissioners to assess all damages to the owners of real estate in said county; and said corporation may, at any time after their appointment, upon the refusal of any owner or guardian of any owner of lands in said county to grant the right of way aforesaid, by giving the said owner or guardian ten days notice thereof in writing, either by personal service or by leaving a copy thereof at his usual place of residence, have the damages assessed in the manner hereinbefore prescribed.

Upon refusal of commissioner

Sec. 99. In case of the death, absence, or refusal or neglect of any of said freeholders to act as commissioners as aforesaid; the sheriff shall, upon the selection of said probate judge, summon other freeholders to complete the panel, and said commissioners shall proceed as directed in the preceding section. Said commissioners shall receive two dollars per day, each, for their services, and the same shall be taxed in the bill of costs.

Laying the road through the lands of a non resident

Sec. 100. If upon the location of said railroad it shall be found to run through the lands of any non-resident owner, the said corporation may give four weeks notice to such proprietor, if known, and if not known, by a description of such real estate, by publication four consecutive weeks in some newspaper published in the county where such lands may lie, if there be any, and if not, in one nearest thereto on the line of their said road, that said railroad has been located through his or her lands; and if such owner shall not, within thirty days thereafter, apply to said probate judge to have the damages assessed in the mode prescribed in the preceding sections, said company may proceed, as herein set forth, to have the damages assessed, subject to the same right of appeal as in case of resident owners; and upon the payment of the damages assessed, to the probate judge of the proper county for such owner, the corporation shall acquire all rights and privileges mentioned in this subdivision.

Corporation may raise or lower highway

Sec. 101. Any railroad corporation may raise or lower any turnpike, plank road, or other way, for the purpose of having their railroad pass over or under the same; and in such cases said corporation shall put such turnpike, plank road or other way, as soon as may be, in good repair.

Same

Sec. 102. Every railroad corporation, while employed in raising or lowering any turnpike or other way, or in making alterations, by means of which the said way may be obstructed, shall provide, and keep in good order, suitable temporary ways to enable travelers to avoid or pass such obstructions.

Sec. 103. Every railroad corporation shall maintain and keep in good repair all bridges, with their abutments, which such corporation shall construct, for the purpose of enabling their road to pass over or under any turnpike road, canal, water-course or other way. Corporation shall keep their bridges in repair

Sec. 104. A bell at least thirty pounds weight or a steam whistle, shall be placed on each locomotive engine, and shall be rung or whistled at the distance of at least eighty rods from the place where the said railroad shall cross any other road or street, and be kept ringing or whistling until it shall have crossed said road or street, under a penalty of fifty dollars for every neglect, to be paid by the corporation owning the railroad, one-half thereof to go to the informer, and the other half to this Territory, and also be liable for all damages which shall be sustained by any person by reason of such neglect. Penalty for neglecting to ring bell &c

Sec. 105. Any railroad corporation shall be authorized to pass over, occupy and enjoy, any of the school, university, saline or other lands of this Territory: Road may pass over school lands &c.

Provided, That no more of such lands shall be taken than is required for the necessary use and convenience of such corporation; and, Provide

Provided further, That the damages accruing to any occupant or owner, or other person who may reside or have improvements on said land, shall be determined and paid by said railroad company as heretofore provided in this subdivision.

Sec. 106. When any person owns land on both sides of any railroad, the corporation owning such railroad shall, when required so to do, make and keep in good repair one causeway or other adequate means of crossing the same. To keep cause way in repair

Sec. 107. If any passenger shall refuse to pay his fare, it shall be lawful for the conductor of the train and the servants of the corporation to put him and his baggage out of the cars, using no unnecessary force, at any place within five miles of any station. Passengers to pay fare

Sec. 108. If any person shall, while in charge of a locomotive engine running upon the railroad of any such corporation, or while acting as the conductor of a car or train of cars on any such railroad be intoxicated, he shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be fined not less than one hundred dollars nor more than five hundred dollars, or be imprisoned not less than six months nor more than one year, and be imprisoned until the fine is paid. Penalty for intoxication

Penalty for
injuring propert-
ty of railroad

Sec. 109. If any person or persons shall willfully do or cause to be done any act or act whatever, whereby any building, construction or work of any railroad corporation or telegraph line, or any engine, machine or structure, or any matter or thing appertaining to the same, shall be stopped, obstructed, impaired, weakened, injured or destroyed, the person or persons so offending shall be guilty of a misdemeanor, and shall forfeit and pay to the said corporation treble the amount of damages sustained by means of the offense; and in case any person or persons shall willfully place any obstruction on the track, or change or misplace any switch of any railroad corporation, he shall, on conviction thereof, be imprisoned in the penitentiary and kept at hard labor for the term of not more than ten years nor less than five years, said term of imprisonment to be fixed by the jury before whom such conviction shall be had; and in case death shall result to any passenger, employee of the company, or other person on the train, by reason of such obstruction, or change or displacement of switches, the person or persons committing such offense shall be deemed guilty of murder, and shall, on conviction thereof before any court of competent jurisdiction, suffer the punishment provided for said offense by the laws of this Territory; and it shall not be lawful for any person other than those connected with or employed upon the railroad, to walk or lead, ride or drive any animal along the track or tracks of any railroad.

When company
not liable for
injury

Sec. 110. In case any passenger on any railroad shall be injured while on the platform of a car while in motion, or in any baggage, wood or freight car, in violation of the printed regulations of the company posted up at the time in a conspicuous place inside of its passenger cars then in the train, such company shall not be liable for the injury;

Provided, Said company furnish room inside its passenger cars sufficient for the accomodation of its passengers.

Company liable
as common
carriers

Sec. 111. Any railroad company receiving freight for transportation, shall be entitled to the same rights and be subject to the same liabilities as common carriers. And whenever two or more railroads are connected together, the company owning either of said roads receiving freight to be transported to any place on the line of either of the roads so connected, shall be liable as common carriers for the delivery of such freight to the consignee of said freight, in the same order in which such freight was shipped.

Sec. 112. Every stockholder of any railroad company shall be individually liable to the creditors of such company, to an amount equal to the amount unpaid on the stock held by him, for all the debts and liabilities of such company, until the whole of the capital stock held by him shall have been paid to the company; but in no other case shall the stockholders be individually liable for the debts of the corporation.

Stockholders personally liable for debts of company to the amount of his stock

Sec. 113. Every railroad company shall have power to cross, intersect, join and unite its railroad with any other railroad before constructed at any point on its route and upon the grounds of such other railroad company, with the necessary turn-outs, sidings and switches, and other conveniences in furtherance of the objects of its connection. And every company whose railroad is or shall hereafter be intersected by any new railroad, shall unite with the owners of such new railroad in forming such intersections and connections, and grant the facilities aforesaid; and if the two corporations cannot agree upon the amount of compensation to be made therefor, or the points and manner of such crossings and connections, the same shall be ascertained and determined by commissioners, to be selected as provided in this subdivision.

Power of road to cross other roads

Sec. 114. Every railroad company shall have power to intersect, join and unite their railroads, constructed or to be constructed in this Territory, or in adjoining States and Territories, at such point on the boundary line of each, or at such other point as may be mutually agreed upon by said companies. And such railroads are authorized to merge and consolidate the stock of the respective companies, making one joint stock company of the railroad thus connected, upon such terms as may be mutually agreed upon in accordance with the laws of the adjoining State or Territory with whose road or roads connections are thus formed;

Power to connect with other roads

Provided, That the consent of three-fourths of all the stockholders in amount in any road whose stock is proposed to be consolidated shall be obtained.

Sec. 115. Every railroad company heretofore organized, or which may be hereafter organized under this subdivision, or which may accept the same as is hereinbefore provided, is hereby empowered to extend their [road] into or through any other State

Right of extension

or Territory, under such regulations as may be prescribed by the laws of such State or Territory through which said road may be extended; and the rights and privileges over said extension, in construction and use of said railroads for the benefit of said company, and controlling and applying the assets of said company, shall be the same as if their railroads had been constructed wholly within the Territory.

Power to
contract with
road for trans-
portation

Sec. 116. Every railroad company heretofore organized, or which may be hereafter organized under this subdivision, or which may accept the same as is hereinbefore provided, and which may have constructed or commenced the construction of their road so as to meet and connect with any other railroad in an adjoining State or Territory, at the boundary line of this Territory, shall have the power to make such contracts and agreements with any such roads constructed in an adjoining State or Territory for the transportation of freight and passengers, or for the use of its said road, as to the board of directors may seem proper.

Power to
mortgage and
execute deeds

Sec. 117. Every railroad company shall have power and is hereby authorized to mortgage or execute deeds of trust of the whole or any part of their property and franchises, including any lands or other property granted to said company by the United States, to secure money borrowed by them for the construction and equipment of their roads, and may issue their corporate bonds in sums not less than five hundred dollars—secured by said mortgages or deeds of trust—payable to bearer or otherwise; and if payable to bearer, negotiable by delivery, bearing interest at a rate not to exceed ten per cent. per annum, and convertible into stock, or not, as shall be plainly expressed on the face of each and every bond so issued by said company, and may sell them at such rates or prices as they may deem proper; and if said bonds should be sold below their nominal or par value, they shall be valid and binding upon the company, and no plea of usury shall be put in or allowed by said company upon any suit or proceedings upon the same; the principal and interest on said bonds, or either of them, may be made payable within or without this Territory.

Sec. 118. Any mortgage or deed of trust made upon the lands, roads or other property of any railroad company, shall

bind and be a valid lien upon all the property mentioned in such deed or mortgage, including rolling stock ; and the purchaser under foreclosure of mortgage or trust deed shall have and enjoy all the rights of a purchaser on execution sale ;

Mortgage upon road &c a valid lien

Provided, That nothing contained in this subdivision shall be so construed as in any manner to interfere with, change or modify the rights of this Territory or the United States, to any lands granted by Congress to this Territory or to said companies, or to transfer any right in said lands, otherwise than as subject to all the conditions imposed by the grant made by the United States.

Sec. 119. Said mortgages or deeds of trust may by their terms include and cover not only the property of the companies making them at the time of their date, but property, both real and personal, which may thereafter be acquired by them, together with all the material and property necessary for the use and operation of said road, and shall be as valid and effectual as if the property were in possession at the time of the execution thereof.

Mortgage what to cover

Sec. 120. Said mortgages or deeds of trust shall be recorded in the office of the county clerk of each organized county through which said road mortgaged or deeded may run in this Territory or State, whenever it may hold lands included in said mortgages or deeds of trust, and shall benotice to all the world of the rights of parties under the same ; and for this purpose, and to secure the rights of mortgages or parties interested under deeds of trust so executed and recorded, the rolling stock, personal property and material necessary for operating the road of said company, belonging to said road, and appertaining thereto, shall be deemed a part of the road, and said mortgages and deeds so recorded, shall have the same effect, both as to notice and otherwise as to the estate covered by them.

Mortgages and deeds to be recorded

Sec. 121. Every such railroad corporation shall start and run their cars for the transportation of passengers and property at regular times to be fixed by public notice, and shall furnish sufficient accommodation for the transportation of passengers to and from such stations as the trains stop, and property at, from, or to, all places and stations upon their said road, on the due payment of fare or freight bill.

Trains to be run at regular times

Penalty on refusal to transport passengers or baggage

Sec. 122. In case of the refusal by such corporation or their agents to take and transport any passenger or property, or to deliver the same or either of them, under the laws, rules and usages that regulate common carriers, such corporation shall pay to the party aggrieved all damages which shall be sustained thereby with costs of suit.

CORPORATIONS

Corporations

Sec. 123. Any number of persons may be associated and incorporated for the transaction of any lawful business, including the construction of canal, railways, bridges, and other works of internal improvement.

Their powers

Sec. 124. Every corporation as such, has power—

First. To have succession by its corporate name.

Second. To sue and be sued, to complain and defend in courts of law and equity.

Third. To make and use a common seal, and alter the same at pleasure.

Fourth. To hold personal estate, and all such real estate as may be necessary for the legitimate business of the corporation.

Fifth. To render the interest of the stockholders transferable.

Sixth. To appoint such subordinate officers and agents as the business of the corporation shall require, and to allow them a suitable compensation therefor.

Seventh. To make by-laws, not inconsistent with any existing law, for the management of its affairs.

To vest in every corporation

Sec. 125. The powers enumerated in the preceding section, shall vest in every corporation in this Territory, whether the same be formed without, or by legislative enactment, although they may not be specified in its charter, or as articles of association.

Must adopt articles of incorporation

Sec. 126. Every corporation, previous to the commencement of any business, except its own organization, when the same is not formed by legislative enactment, must adopt articles of incorporation, and have them recorded in the office of the county clerk of the county or counties in which the business is to be transacted, in a book kept for that purpose.

Sec. 127. Corporations for the construction of works of internal improvement, must also file in the office of the secretary of the Territory, a copy of their articles of association, and the same shall be recorded in a book kept for that purpose.

To be filed in office of Secretary of the territory

Sec. 128. The articles of incorporation must fix the highest amount of indebtedness or liability to which the corporation shall, at any one time, be subject, which must in no case, except in that of insurance companies, exceed two-thirds of its capital stock.

Articles of incorporation what to fix

Sec. 129. If any corporation hereafter created by the legislature, shall not organize within one year after its incorporation, its corporate powers shall cease.

Corporation to organize within a year

Sec. 130. Notice must be published in some newspaper near the principal place of business, for four weeks.

Notice by publication

Sec. 131. Such notice must contain:

What notice to contain

First. The name of the corporation.

Second. The principal place of its transacting its business.

Third. The general nature of the business to be transacted.

Fourth. The amount of capital stock authorized, and the time and conditions on which it is to be paid in.

Fifth. The time of commencement and termination of the corporation.

Sixth. The highest amount of indebtedness or liability to which the corporation is at any time to subject itself.

Seventh. By what officers the affairs of the corporation are to be conducted.

Sec. 132. Any corporation formed without legislative enactment, may commence business as soon as its articles of incorporation are filed by the county clerks of the counties, as required by this subdivision, and shall be valid, if a copy of its articles be filed in the office of the secretary of the Territory, and the notice required be published within four months from the time of filing such articles in the clerk's office.

When corporation to commence business

Sec. 133. Every change, in any of the above matters shall be recorded, and published in the same manner as the original articles are required by law.

Change to be recorded

Sec. 134. No corporation can be dissolved by the members thereof, except by consent of two-thirds of all its members; which

Corporation how dissolved

consent must be entered on its records, unless a different rule has been adopted in its articles of incorporation.

Copy of by-laws
to be posted

Sec. 135. A copy of the by-laws of the corporation, with the names of all the officers appended thereto, must be posted in some conspicuous place, at the places of doing business, subject to public inspection.

Notice to be
given annually

Sec. 136. Every corporation hereafter created, shall give notice annually, in some newspaper printed in the county or counties in which the business is transacted, and in case there is no newspaper printed therein, then in the nearest paper in the Territory, of the amount of all the existing debts of the corporation, which notice shall be signed by the president and a majority of the directors; and if any corporation shall fail to do so, all the stockholders of the corporation shall be jointly and severally liable for all the debts of the corporation then existing, and for all that shall be contracted before such notice is given.

How lands to be
conveyed

Sec. 137. It shall be lawful for any corporation to convey lands by deed, sealed by the common seal of said corporation, and signed by the president or presiding officer of the board of directors of the corporation; and such deed when acknowledged by such officer to be an act of the corporation, or proved in the usual form prescribed for other conveyances for lands, shall be recorded in the clerk's office of the county in which the lands lie, in like manner as other deeds.

Members may be
sued by each
other

Sec. 138. All corporations, may sue for, and recover from their respective members in any court of competent jurisdiction, all arrears or other debts due, or other demands which now are or hereafter may be owing to them, in like manner as they might sue for and recover the same from any indifferent person who might be a member, any law, usage or custom to the contrary notwithstanding.

Penalty for non
compliance
with the provis-
ions of this
subdivision

Sec. 139. If any corporation fail to comply substantially with the provisions of this subdivision, in relation to giving notice, and other requisitions of organization, the property of all the stockholders shall be liable for the corporate debts.

Penalty for
fraud

Sec. 140. If any deception be practiced by any corporation upon the public or individuals, in relation to its means or liabilities, all those engaged in such deception

shall be liable to a fine not exceeding five hundred dollars; and any person injured by such deception, may recover double the amount of damages he may have sustained by reason of the same, in any court having jurisdiction of the amount claimed.

Sec. 141. A division of the funds of a corporation, for other purposes than those mentioned in the act granting the charter and the payment of dividends, which have insufficient funds to meet the liabilities of the corporation, shall be deemed a violation of the provisions of this subdivision, and subject those engaged therein to the penalties herein prescribed.

What deemed a violation of the provisions of this subdivision

Sec. 142. Any violation of the provisions of this subdivision shall cause a forfeiture of all the privileges conferred by the same, and the court may proceed to close the affairs of the corporation, by an information for that purpose.

Violation will cause a forfeiture of charter

Sec. 143. Corporations whose charters expire by their own limitation, or by the voluntary act of the stockholders, may continue to act for the purpose of closing their business, but for no other purpose.

Certain dissolved corporation may continue to act for the purpose of closing the business

Sec. 144. No body of men acting as a corporation under the provisions of this subdivision, shall be permitted to set up the want of legal organization as a defense to any action brought against them, as a corporation; nor shall any person sued on a contract made with such corporation, or for an injury to the property of such corporation, be permitted to set up the want of legal organization in defense of such action.

What no defence against a legal action

Sec. 145. That wherever the word county clerk occur in this act the same shall be construed to mean register of deeds.

County clerk to mean Register of deeds

Sec. 146. This act shall take effect and be in force from and after its passage and approval.

When to take effect

Approved, January 6, 1868.