

another person, or shall knowingly carry or cause to be carried, the "parasite" which causes such scab or disease, and place it where another person is corralling or herding sheep, so that such sheep may become affected thereby, shall be adjudged guilty of a felony, and upon conviction thereof shall be confined in the Territorial Prison not less than five years nor more than ten years, and be fined in any sum not less than \$1,000.

§ 5. PUNISHMENT FOR VIOLATION.] Any person who shall be convicted of the violation of the provisions of this act shall be deemed guilty of a misdemeanor, and shall be punished by a fine of not less than \$100 nor more than \$600.

§ 6. LIABLE IN DAMAGES—WHEN.] Any person violating any of the provisions of this act shall be liable in damages to any person or persons injured thereby, directly or indirectly, to be recovered in a civil action in any court of competent jurisdiction.

§ 7. This act shall take effect and be in force from and after its passage and approval.

Approved, March 11, 1887.

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## CORPORATIONS.

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### CHAPTER 34.

#### BUILDING AND LOAN ASSOCIATIONS.

AN ACT To Amend Sections Two, Three, Four, Five, Eight, Nine and Nineteen of Chapter Thirty-four of the Laws of 1885, Entitled "An Act to Provide for the Incorporation and Regulation of Building and Loan Associations."

*Be it Enacted by the Legislative Assembly of the Territory of Dakota:*

§ 1. CAPITAL STOCK.] Section two of said act be and the same is hereby amended to read as follows: "The capital stock of any corporation created by virtue of this act shall at no time consist of more than two thousand five hundred shares, of two hundred dollars each, or five thousand shares of one hundred dollars each, the installments on which stock are to be paid at such time and place as the by-laws shall appoint, no peri-

odical payment to be made exceeding two dollars on each share. Every share of stock shall be subject to a lien for the payment of unpaid installments and other charges incurred thereon, under the provisions of the charter and by-laws, and the by-laws may prescribe the form and manner of enforcing such lien. New shares of stock may be issued in lieu of the shares withdrawn or forfeited; the stock may be issued in one or more successive series, in such amount as the board of directors or stockholders may determine, and any stockholder wishing to withdraw from the said corporation shall have power to do so by giving thirty days notice of his or her intention to withdraw, when he or she shall be entitled to receive the amount paid in by him or her, and such proportion of the profits as the by-laws may determine, less all fines and other charges; *Provided*, That at no time shall more than one-half of the funds in the treasury of the corporation be applicable to the demands of withdrawing stockholders without the consent of the board of directors, and that no stockholder shall be entitled to withdraw whose stock is held in pledge for security. Upon the death of a stockholder, his or her legal representative shall be entitled to receive the full amount paid in by him or her and legal interest thereon, first deducting all charges that may be due on the stock. No fines shall be charged to a deceased member's account from or after his or her decease, unless the legal representatives of such decedent assume the future payments of the stock.

§ 2. BY-LAWS TO CONTAIN. ] Section three be and the same is hereby amended to read as follows: By-laws to contain the number, titles, functions and compensation of the officers of any corporation created by virtue of this act, their terms of office, the times of their election, as well as the qualifications of electors, and the votes and manner of voting, and the periodical meetings of said corporation, and the manner and terms upon which loans shall be made and repaid shall be determined by the by-laws.

§ 3. LOANING FUNDS. ] Section four be, and the same is hereby amended to read as follows: Loaning Funds—The said officers shall hold stated meetings at which the money in the treasury, if equal to the amount of one share of stock in such corporation shall be offered for loan in open meeting, and the stockholder who shall bid the highest premium for the preference or priority of loan shall be entitled to receive a loan of the full amount for each share of stock held by such stockholder; *Provided*, That good and ample security shall be given by the borrower to secure the repayment of the loan. In case the borrower shall neglect to offer security that is approved by the board of directors by such time as the by-laws may prescribe, he or she shall be charged with one month's interest at the rate charged by the association on loans, and a fine not to exceed one dollar per share, together with any expenses incurred, and the money shall be resold at the next stated meeting. In case of non-

payment of installments, or interest or premium by borrowing stockholder, for the space of six months, payment of principal and interest, without deducting the premium paid or interest thereon, may be enforced by proceeding on their securities according to law.

§ 4. PAYMENT OF LOANS.] Section five be and the same is hereby amended to read as follows:

§ 5. A borrower may repay a loan at any time by the payment to the corporation of the principal sum borrowed, together with interest, not to exceed twelve per cent. per annum, together with such per cent of premium per annum as may have been bid for the preferences or priority of such loan and any fines or charges that may be imposed upon such stockholder at the time of such repayment, or in case the amount of premium bid for the priority of such loan be deducted in advance, and the repayment thereof is made before the expiration of the eighth year after the organization of the corporation; there shall be refunded to such borrower one eighth of the premium paid for every year of the said eight years unexpired; *Provided*, that when the stock is issued in separate series, the time shall be computed from the date of the issuing of the shares of stock on which the loan was made; *Provided, further*, That when the series of stock has a less period than eight years to complete full payment thereof, there shall be refunded only pro rata for the unexpired term of the series; and, *Provided, further*, When the by-laws of the corporation prescribe a different manner, and terms upon which a loan may be repaid, then the repayment can only be made in accordance with the by-laws of such corporation.

§ 5. MAY PURCHASE AT SHERIFF'S SALE.] Section eight be and the same is hereby amended to read as follows:

§ 8. Any building or loan association incorporated by or under the provisions of this act, or any one heretofore or hereafter incorporated, accepting of the provisions of the same, is hereby authorized and empowered to purchase at any sheriff's or other judicial sale, or at any other sale, public or private, any real estate upon which such association may have or hold any mortgage, judgment, lien, or other incumbrance, or in which said association may have an interest, and the real estate so purchased, or any other that such association may hold, or be entitled to at the passage of this act to sell, convey, lease or mortgage at pleasure to any person or persons whatsoever, and all sales of real estate heretofore made by such association to any person or persons not members of the association so selling are hereby confirmed and made valid.

§ 6. VALIDATING SECURITIES.] Section nine be and the same is hereby amended to read as follows:

§ 9. All mortgages heretofore given to the building and loan associations organized under the laws of this Territory before the passage of this act or subsequent hereto, but such associations subsequently accepting the provisions hereof, be and the same are

hereby declared good and valid to all intents and purposes, as though they had been made to corporations organized under the provisions of this act.

§ 7. WHEN ENTITLED TO PRIVILEGES OF THIS ACT.] Section nineteen is amended as follows: After the word "heretofore" in second line insert "or hereafter."

Approved, March 11, 1887.

## CHAPTER 35.

### FORMATION OF PRIVATE CORPORATIONS.

AN ACT To Amend Section 384 of Chapter 3, of the Civil Code.

*Be it Enacted by the Legislative Assembly of the Territory of Dakota:*

§ 1. PRIVATE—LIMITED.] That section 384 of chapter 3 of the Civil Code be and the same is hereby amended to read as follows:

§ 384. Private corporations can be formed by the voluntary association of three or more persons, upon complying with the provisions of this chapter for the following purposes, namely: mining, manufacturing and other industrial pursuits; the construction or operation of railroads, wagon roads, irrigating ditches, for colleges, seminaries, churches, libraries; benevolent, charitable and scientific associations; for conducting the business of insurance, banks of discount and deposit (but not of issue) and for loan, trust and guarantee associations; *Provided, however,* that no insurance company shall be incorporated under the provisions of this act except by the voluntary association of seven or more persons.

§ 2. This act shall take effect and be in force from and after its passage and approval.

Approved, February 7, 1887.

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**CHAPTER 36.****REGULATING MEETING OF RAILROAD DIRECTORS.**

**AN ACT To Amend Subdivision 3, of Section 412, of the Civil Code of the Territory of Dakota, Relating to Meetings of Directors of Corporations.**

*Be it Enacted by the Legislative Assembly of the Territory of Dakota:*

§ 1. PLACE OF MEETING OF DIRECTORS.] Subdivision three of section 412, of the Civil Code is hereby amended by adding the following words: *Provided*, That the meetings of the boards of directors of railway corporations having one or more directors resident in this Territory, or having duly appointed an agent resident in this Territory, upon whom service may be made, may be held at any place mentioned in the notice convening said board of directors, either within or without the Territory.

§ 2. This act shall take effect and be in force from and after its passage and approval.

Approved, March 11, 1887.

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**COUNTIES.**

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**CHAPTER 37.****CANCELLATION OF COUNTY WARRANTS.**

**AN ACT To Cancel Certain County Warrants.**

*Be it Enacted by the Legislative Assembly of the Territory of Dakota:*

§ 1. WARRANTS TO BE CANCELLED—WHEN.] That the board of commissioners of the several counties of this Territory be and they are hereby authorized and required, at each regular meeting, to cancel and destroy all warrants drawn on any fund of the county which may have remained uncalled for and on file for