

army and navy regulations, nor shall this act be construed to apply to the regular issue of a newspaper or other periodical, on which shall be printed said flag, disconnected from any advertisement.

§ 4. PENALTY.] Any person offending against the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof before a court of competent jurisdiction, shall be fined a sum not less than five, or to exceed twenty-five dollars, or thirty days' imprisonment in the county jail, or both such fine and imprisonment in the discretion of the court.

Approved March 13, 1901.

## FRATERNAL ORGANIZATIONS.

### CHAPTER 89.

[H. B. 2.]

#### FRATERNAL ORGANIZATIONS.

AN ACT to Provide for the Status, Organization, and Government of Associations Known as Lodges, Chapters, Posts, Encampments, Councils, Commanderies, Consistories and Other Similar Organizations of the Fraternities or Associations Commonly Known as the Various Organization of Free Masons, Independent Order of Odd Fellows, Grand Army of the Republic, Knights of Pythias and Other Similar Benevolent or Charitable Fraternities or Associations Not Organized for Profit or Fraternal Insurance.

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

§ 1. FRATERNITIES AND ASSOCIATIONS.] Associations known as lodges, chapters, posts, encampments, councils, commanderies, consistories and other similar organizations, having a seal and working under a charter issued by some grand or sovereign body of like character to themselves, of the fraternities or associations commonly known as the various organizations of Free Masons, Independent Order of Odd Fellows, Grand Army of the Republic, Knights of Pythias and other similar benevolent or charitable fraternities or associations, not organized for profit or for fraternal insurance, located in this state, shall, from and after the taking effect of this act, be deemed to be corporations, notwithstanding no articles of incorporation have been filed, and no charter granted by this state.

§ 2. CHARTER. COPY OF TO BE FILED WITH SECRETARY OF STATE AND REGISTER OF DEEDS. FEES OF.] Every such association now in existence shall, within thirty days of the taking effect of this act, and every association hereinafter organized shall, within thirty days after perfecting such organization and electing its officers, file with the secretary of state a copy of its charter under which it works, certified by the secretary of such organization, under the seal thereof, and shall

likewise deposit a copy of such charter so certified in the office of the register of deeds of the county in which such body is located, and the secretary of state shall be paid a fee of five dollars therefor, and the register of deeds the same fee as for filing a chattel mortgage. At the same time, such association or organization shall cause to be deposited with the secretary of state a statement signed by the chief officer of such association and attested by its secretary, showing:

1. The name by which such association or organization shall be known, which shall correspond with the name given to it in its charter, if there be one.

2. The place where it is, or shall be located.

3. The time during which it shall exist.

4. The names and designations of its elective officers, the names and number of its board of directors or trustees, the names and number of its finance committee, if any, then serving as such officers, trustees or finance committee, until the election or qualification of their successors in office.

5. The name of the grand, supreme or sovereign lodge, or other superior body or bodies to which it owes allegiance.

6. If the private property of its members is liable for its association debts, to what extent.

7. The maximum limit of its indebtedness, which in no case shall exceed one hundred thousand dollars.

§ 3. BY-LAWS. COPY OF TO BE FILED WITH SECRETARY OF STATE.] Every such association shall within three months after the taking effect of this act, or within three months after the filing of certificate above mentioned, file in the office of the secretary of state a copy of such by-laws as pertain to the election of the directors or trustees, officers and the appointment of its finance committee, if any, and the management of its business affairs. Such copy so filed shall be certified by its directors, or trustees, as being a true copy of all such by-laws as relate to the subject above specified, and within one month after the adoption of any new by-law, or the repeal or amendment of any by-law, relating to such subject, a copy thereof, duly certified by the directors or trustees, shall be filed with the secretary of state.

§ 4. FAILURE TO COMPLY. PENALTY.] Any such association failing to comply with either section 2 or 3 of this act shall forfeit to the state the sum of five dollars to be collected by suit.

§ 5. The duration of such associations shall be perpetual, or for such a length of time as is shown by the certificate filed as hereinbefore provided for.

§ 6. Any such association has power:

1. To have succession by its associate name.

2. To sue and be sued in any court.

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

4. In its associate name to purchase, hold and transfer and convey real and personal property.

5. To appoint such subordinate officers and agents as the business of the association may require and allow them suitable compensation.

6. To make by-laws, not inconsistent with the law of the land, for the management of its affairs and property.

7. To admit members and to suspend, reinstate or expel its members under the rules, by-laws and customs of such association.

8. To enter into any obligation or contract essential to the transaction of its affairs, or authorized by a vote of its members.

9. To apply its funds and property to charitable and benevolent objects pursuant to the purpose for which such association is organized.

§ 7. PROPERTY. POWER TO ACQUIRE.] Any such association shall have power to acquire property, both real and personal, by purchase, devise or bequest, to an amount not exceeding one hundred thousand dollars in value, and to hold the same, and may sell, exchange or mortgage any or all property held or owned by it, in the manner determined by its by-laws or by a majority vote of its members present at a meeting called for such purpose.

§ 8. CONTRACTS AND INVESTMENTS. MAY MAKE.] Any such association may make contracts and invest its funds in the name of such association, contract debts, issue bonds or other evidence of its indebtedness for money, labor done, or money or property actually received, and to a total indebtedness not to exceed in amount the value of its corporate property, both real and personal, actually owned by such association.

§ 9. MEMBERSHIP.] The membership of any such association shall be fixed and determined, each one according to its laws, rules, customs and usages.

§ 10. DIRECTORS, TRUSTEES AND OFFICERS.] Any such association under this article shall elect its directors or trustees and its officers and call and hold its meetings at the time, and in the manner, prescribed by its by-laws, or by the laws, rules, customs and usages of its supreme, grand or superior body. The elective officers, including directors or trustees, shall be such as its superior body may require or the by-laws shall prescribe, and shall perform such duties as may be designated by the by-laws.

§ 11. DIRECTORS OR TRUSTEES. HOW MANY. ORGANIZATION OF.] Such associations may have a board of directors or trustees consisting of one, and not more than 11 members, who shall perform the duties usually performed by the board of directors of business corporations, or as may be prescribed by by-laws, and such board may organize and elect a president, vice president, secretary and treasurer thereof, and the secretary thereof shall preserve a record of all meetings and transactions of such board, which shall be at all times open to the inspection of any member of such association.

§ 12. PROPERTY LIABLE FOR DEBTS.] The property of any such association, both real and personal, shall be liable for the debts there-

of; provided, that this shall not be construed as applying to the properties or paraphernalia used in the initiatory or degree work of such lodge, chapter, post, encampment, council, commandery, consistory, or other similar organization, or to the rituals and other books pertaining to the written or unwritten work.

§ 13. PRIVATE PROPERTY. NOT LIABLE FOR CORPORATE DEBTS.] The private property of the members of such association shall not be liable for its corporate debts, except by vote of its members, and then only the private property of such members as are present at a meeting and voting in the affirmative upon such a proposition, which vote shall be by yeas and nays, and the minutes of such meeting shall show the names of those voting in the affirmative and of those voting in the negative, which record shall be prima facie evidence of the facts therein contained; provided, however, that the property of each director, trustee or other officer incurring or authorizing an indebtedness in excess of the value of all the corporate property of such association, both real and personal, shall be liable for such excess expenditures, except of such officers as may file with the secretary of such association, at the time such excess indebtedness is authorized or incurred, a written objection thereto, or is absent from the meeting authorizing or incurring such excess indebtedness.

§ 14. ASSOCIATION SHALL NOT ISSUE STOCK.] Any such association shall not issue any stock, nor any member thereof have or acquire any divisional share in the property belonging to such association, nor the right to sell, transfer or convey, any right, property or membership therein; nor shall any estate in any property of such association vest in the heirs of any member at his death, but all of his right, title and interest in such association shall cease and determine at his death, or upon ceasing to be a member thereof.

§ 15. ASSOCIATION SHALL NOT DECLARE DIVIDENDS OR DIVIDE PROPERTY.] No such association shall declare any dividends or divide its property among its members during the existence of such association, and upon its dissolution, its property shall be disposed of after all its just debts are paid, in a manner provided for by a majority vote of all the members of such association present at a meeting duly called for such purpose; provided, however, that before any such distribution is made, or division had, its elective officers shall file a certificate in the office of the register of deeds in the county in which such association is located, stating that all its debts are paid, and any officer signing such a certificate shall be personally liable in his private estate for any debt of such an association outstanding and unpaid, and provided, however, that all such property and debts due to such association shall be delivered up to the grand, supreme or sovereign lodge or other body, or bodies of the association, or fraternity to which such subordinate body forming such association may belong or owe allegiance, if required by the law and usages of such fraternity or association.

§ 16. CHARTER. WHEN REVOKED OR SUSPENDED.] Whenever the supreme, grand or sovereign lodge or other superior body or bodies, shall at any time revoke or suspend the charter granted by it to such subordinate lodge or other organization, or whenever by the laws and usages of the organization of which such subordinate body forms a part, or by operation of any law of this state, or by a vote of the majority of its members called for such purpose, when not in conflict with the laws of its superior body, the said subordinate body shall become defunct, then the corporate powers of such lodge, or other subordinate organization shall cease and determine, except that the directors or trustees last elected shall act as trustees to close up its affairs, and may collect the debts due such association, settle the debts contracted by such association, and to pay such debts, shall have power to sell, convey and dispose of its property, or sufficient thereof to do so, and the remainder of its property, both real and personal, shall then be disposed of as in this act, provided, that all rituals, books, properties and paraphernalia relating to, or used in, the secret work of such lodge, chapter, post, encampment, council, commandery, consistory, or other similar organization, shall be delivered by said directors or trustees to the supreme, grand or sovereign lodge, or other superior body to which such lodge, chapter, post, encampment, council, commandery, consistory, or other similar organization is subordinate.

§ 17. SERVICE OF PROCESS. HOW MADE.] Services of process against such association shall be made as provided for service of process upon other corporations, and conveyances of its real estate shall be signed by its chief officer, or person acting as such, and attested by its secretary, or other like officer under its association seal.

§ 18. This act shall not apply to such societies of this character as have already incorporated under provisions of chapter 17 (civil code) of the Revised Codes, or which may elect to so incorporate.

§ 19. EMERGENCY.] Whereas, an emergency exists, in that there is no adequate or proper law to provide for the status, organization and government of associations known as lodges, chapters, posts, encampments, councils, commanderies, consistories and other similar organizations, and to define the liabilities of the members and officers thereof, and to permit such associations to acquire, hold, convey and mortgage, real estate and personal property and make contracts; therefore, an emergency exists and this act shall take effect and be in force from and after its passage and approval.

Approved February 20, 1901.

## CHAPTER 90.

[S. B. 21.]

## RELATING TO FRATERNAL AND BENEFICIARY SOCIETIES.

AN ACT Regulating Fraternal Beneficiary Societies, Orders or Associations.

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

§ 1. FRATERNAL BENEFICIARY SOCIETIES.] A fraternal beneficiary association is hereby declared to be a corporation, society or voluntary association, formed, or organized and carried on, for the sole benefit of its members and their beneficiaries, and not for profit. Each association shall have a lodge system, with ritualistic form of work and representative form of government, and shall make provision for the payment of benefits in case of death, and may make provision for the payment of benefits in case of sickness, temporary or permanent physical disability, either as the result of disease, accident or old age, provided the period in life at which payment of physical disability benefits on account of old age commences, shall not be under seventy (70) years, subject to their compliance with its constitution and laws. The fund from which the payment of such benefits shall be made, and the fund from which the expenses of such association shall be defrayed, shall be derived from assessments or dues collected from its members. Payment of death benefits shall be to the families, heirs, blood relatives, affianced husband or affianced wife of, or to persons dependent upon the member. Such association shall be governed by this act and shall be exempt from the provisions of insurance laws of this state, and no law hereafter passed shall apply to them unless they be expressly designated therein. Any such fraternal beneficial association may create, maintain, disburse and apply a reserve or emergency fund in accordance with its constitution or by-laws.

§ 2. HOW TO PROCEED.] All such associations coming within the description, as set forth in section 1 of this act, organized under the laws of this or any other state, province or territory, and now doing business in this state, may continue such business, provided, that they hereafter comply with the provisions of this act regulating annual reports and the designation of the commissioner of insurance as the person upon whom process may be served as hereinafter provided.

§ 3. HOW TO DO BUSINESS IN THIS STATE.] Any such association coming within the description, as set forth in section 1 of this act, organized under the laws of any other state, province or territory, and not now doing business in this state, shall be admitted to do business within this state when it shall have filed with the commissioner of insurance, a duly certified copy of its charter and articles of association,

and a copy of its constitution or laws, certified to by its secretary or corresponding officer, together with an appointment of the commissioner of insurance of this state as a person upon whom process may be served as hereinafter provided; and, provided, that such association shall be shown to be authorized to do business in the state, province or territory in which it is incorporated or organized, in case the laws of such state, province or territory shall provide for such authorization; and in case the laws of such state, province or territory do not provide for any formal authorization to do business on the part of such association, then such association shall be shown to be conducting its business in accordance with the provisions of this act, for which purpose the commissioner of insurance of this state may personally, or by some person to be designated by him, examine into the condition, affairs, character and business methods, accounts, books and investments of such association at its home office, which examination shall be at the expense of such association, and shall be made within thirty days after demand thereof, and the expense of such examination shall be limited to \$100.

§ 4. MUST FILE CERTIFICATE OF AUTHORIZATION.] Any association doing business under this act shall be permitted to do business upon filing annually with the commissioner of insurance of this state, the certificate of authorization of the insurance department of the state, province or territory in which it is incorporated or organized. Provided, however, in case of failure to file said certificate by any such association, or in case the commissioner of insurance shall deem it necessary, he shall have power to examine, either personally or by some person designated by him, into the condition, affairs, character, business methods, accounts, books and investments of such association, at its home office, which examination shall be at the expense of the association; the amount thereof shall not exceed one hundred dollars in associations with no reserve or emergency fund, and two hundred dollars for associations with a reserve or emergency fund.

§ 5. MUST MAKE ANNUAL REPORT.] Every such association doing business in this state shall, on or before the first day of March of each year, make and file with the commissioner of insurance of this state, a report of its affairs and operations during the year ending on the 31st day of December, immediately preceding, which annual report shall be in lieu of all other reports required by any other law. Such reports shall be upon blank form, to be provided by the commissioner of insurance, or may be printed in pamphlet form, and shall be verified under oath by the duly authorized officers of such association, and shall contain answers to the following questions:

1. Number of certificates issued during the year, or members admitted.
2. Amount of indemnity effected thereby.
3. Number of losses or benefit liabilities incurred.
4. Number of losses or benefit liabilities paid.

5. The amount received from each assessment for the year.
6. Total amount paid members, beneficiaries, legal representatives or heirs.
7. Number and kind of claims for which assessments have been made.
8. Number and kind of claims compromised or resisted, and statement of reasons.
9. Does association charge annual or other periodical dues or admission fees?
10. How much on each one thousand dollars, annually or per capita, as the case may be.
11. Total amount received, from what source, and the disposition thereof.
12. Total amount of salaries paid to officers.
13. Does association guarantee, in its certificates, fixed amounts to be paid, regardless of amount realized from assessments, dues, admission fees and donations?
14. If so, state amount guaranteed, and the security of such guaranty.
15. Has the association a reserve fund?
16. If so, how is it created, and for what purpose, the amount thereof, and how invested?
17. Has the association more than one class?
18. If so, how many, and the amount of indemnity in each?
19. Number of members in each class.
20. If voluntary, so state, and give date of organization.
21. If organized under the laws of this state, under what law, and at what time; giving chapter and year and date of the passage of the act.
22. If organized under the laws of any other state, province or territory, state such fact, and the date of organization, giving chapter and year and date of passage of the act.
23. Number of certificates of beneficiary membership lapsed during the year.
24. Number in force at beginning and end of year; if more than one class, number in each class.
25. Names and addresses of its president, secretary and treasurer, or corresponding officers.

The commissioner of insurance is authorized and empowered to address any additional inquiries to any such association, in relation to its doings or condition, or any other matter connected with its transaction, relative to the business contemplated by this act, and such officers of such association, as the commissioner of insurance may require, shall promptly reply in writing, under oath, to all such inquiries.

§ 6. WHEN PRINCIPAL OFFICE NOT IN THE STATE.] Each such association now doing, or hereafter admitted to do, business within this state, and not having its principal office within this state, and not

being organized under the laws of this state, shall appoint, in writing, the commissioner of insurance, and his successors in office, to be its true and lawful attorney, upon whom all lawful process in any action or proceeding against it must be served, and in such writing shall agree that any lawful process against it, which is served on said attorney, shall be of the same legal force and validity as if served upon the association, and that the authority shall continue in force so long as any liability remains outstanding in this state. Copies of such certificate, certified by said commissioner of insurance, shall be deemed sufficient evidence thereof, and shall be admitted in evidence with the same force and effect as the original thereof might be admitted. Service upon such attorney shall be deemed sufficient service upon such association. When legal process against any such association is served upon said commissioner of insurance, he shall immediately notify the association of such service by letter, prepaid and directed to its secretary or corresponding officer, and shall within two days after such service forward in the same manner a copy of the process served on him to such officer. The plaintiff in such process so served shall pay to the commissioner of insurance, at the time of such service, a fee of \$3.00, which shall be recovered by him as a part of the taxable costs, if he prevails in the suit. The commissioner of insurance shall keep a record of all processes served upon him, which record shall show the day and hour when such service was made.

§ 7. INSURANCE COMMISSIONER ISSUE PERMIT.] The commissioner of insurance of this state shall, upon the application of any association having the right to do business within this state, as provided by this act, issue to such association annually a permit in writing, authorizing such association to do business within this state, for which permit and all proceedings in connection therewith, such association shall pay to said commissioner the fee of \$15.00.

§ 8. FILE ARTICLES OF INCORPORATION.] Every fraternal or beneficiary society or association which undertakes to furnish indemnity to its members or their families, which is not incorporated under the laws of another state, shall before doing business in this state, incorporate under the provisions of article 3 of chapter 17 of the civil code, and in addition shall file with the commissioner of insurance a duly certified copy of its articles of incorporation, and a copy of its constitution and laws, duly certified by its secretary or corresponding officer, and shall in all respects comply with, and be subject to, the provisions of this act so far as the same are applicable.

Such commissioner of insurance shall, before issuing a permit to such corporation to do business, examine into its character and ascertain that it in all things has complied with the requirements of this act.

§ 9. PAID AGENTS, WHEN EMPLOYED.] Such association shall not employ paid agents in soliciting or procuring members, except in the organization or building up of subordinate bodies, or granting members inducements to procure new members.

§ 10. CONTRACT NOT VALID.] No contract with any such association shall be valid when there is a contract, agreement or understanding between the member and the beneficiary that the beneficiary, or any person for him, shall pay such member's assessments or dues, or either of them.

§ 11. BENEFIT NOT LIABLE TO ATTACHMENT.] The money or other benefit, charity, relief or aid to be paid, provided or rendered by any association authorized to do business under this act, shall not be liable to attachment by trustee, garnishee or other process, and shall not be seized, taken, appropriated or applied by any legal or equitable process, or by operation of law, to pay any debt or liability of a certificate holder, or of any beneficiary named in a certificate, or any person who may have any right thereunder.

§ 12. MUST SHOW MORTUARY ASSESSMENT RATE.] No association, not admitted to transact business within this state prior to the passage of this act, shall be incorporated, or given a permit, or certificate of authority to transact business within this state, as provided for by this act, unless it shall first show that the mortuary assessment rates, provided for in whatever plan or business it has adopted, are not lower than is indicated as necessary by the following mortality table:

FRATERNAL CONGRESS MORTALITY TABLE.

Age.	No. Living.	No. Dying.	Probability of Dying.
20	100,000	500	.005000
21	99,500	501	.005035
22	98,999	502	.005071
23	98,497	503	.005107
24	97,994	505	.005153
25	97,489	507	.005201
26	96,982	510	.005259
27	96,472	513	.005318
28	95,959	517	.005388
29	95,442	522	.005469
30	94,920	527	.005552
31	94,393	533	.005647
32	93,860	540	.005753
33	93,320	548	.005872
34	92,772	557	.006004
35	92,215	567	.006149
36	91,648	578	.006307
37	91,070	591	.006490
38	90,479	606	.006698
39	89,873	622	.006921
40	89,251	640	.007171
41	88,611	660	.007448
42	87,951	683	.007766

Age.	No. Living.	No. Dying.	Probability of Dying.
43	87,268	708	.008113
44	86,560	734	.008480
45	85,826	761	.008867
46	85,065	790	.009287
47	84,275	822	.009754
48	83,453	857	.0102693
49	82,596	894	.0108238
50	81,702	935	.0114440
51	80,767	980	.0121337
52	79,786	1,029	.0128970
53	78,757	1,083	.0137511
54	77,674	1,140	.0146767
55	76,534	1,202	.0157054
56	75,332	1,270	.0168587
57	74,062	1,342	.0181200
58	72,720	1,418	.0194994
59	71,302	1,501	.0210513
60	69,801	1,588	.0227504
61	68,213	1,681	.0246434
62	66,532	1,778	.0267240
63	64,754	1,880	.0290330
64	62,874	1,985	.0315711
65	60,889	2,094	.0343904
66	58,795	2,206	.0375206
67	56,589	2,318	.0409620
68	54,271	2,430	.0447753
69	51,841	2,539	.0489767
70	49,302	2,645	.0536489
71	46,657	2,744	.0588122
72	43,913	2,832	.0644912
73	41,081	2,909	.0708113
74	38,172	2,969	.0777795
75	35,203	3,009	.0854757
76	32,194	3,026	.0939927
77	29,168	3,016	.1034010
78	26,152	2,977	.1138345
79	23,175	2,905	.1253506
80	20,270	2,799	.1385163
81	17,471	2,659	.1521951
82	14,812	2,485	.1677694
83	12,327	2,280	.1849599
84	10,047	2,050	.1855707
85	7,997	1,800	.2250844
86	6,197	1,539	.2483460
87	4,658	1,277	.2741520
88	3,381	1,023	.3025732

Age.	No. Living.	No. Dying.	Probability of Dying.
89	2,358	788	.3341815
90	1,570	579	.3687898
91	991	404	.4076690
92	587	264	.4497445
93	323	161	.4984520
94	162	89	.5493827
95	73	44	.6027397
96	29	19	.6551724
97	10	7	.7000000
98	3	3	1.0000000

§ 13. HOW GOVERNED.] Any such association, organized under the laws of this state, may provide for the meetings of its legislative or governing body in any other state, province or territory, wherein such association shall have subordinate bodies, and all business transacted at such meetings shall be valid in all respects, as if such meetings were held within this state, and where the laws of any such association provide for the election of its officers by votes to be cast in its subordinate bodies, the votes so cast in its subordinate bodies in any other state, province or territory, shall be valid as if cast within this state.

§ 14. FRAUDULENT STATEMENTS. PENALTY.] Any person, officer, member or examining physician, who shall knowingly or willfully, make any false or fraudulent statement or representation, in or with reference to any application for membership, or for the purpose of obtaining any money or benefit in any association transacting business under this act, shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine not less than \$100, nor more than \$500, or imprisonment in the county jail for not less than thirty days, nor more than one year, or both, in the discretion of the court; and any person who shall willfully make a false statement of any material fact or thing in a sworn statement as to the death or disability of a certificate holder in any such association, for the purpose of procuring payment of a benefit named in the certificate of such holder, and any person who shall willfully make any false statement in any verified report or declaration, under oath, required or authorized by this act, shall be guilty of perjury, and shall be proceeded against and punished as provided by the statutes of this state in relation to the crime of perjury.

§ 15. REFUSING TO MAKE STATEMENT. PENALTY.] Any such association refusing or neglecting to make the report, as provided in this act, shall be excluded from doing business within this state. Said commissioner of insurance must, within sixty days after failure to make such report, or in case any such association shall exceed its powers, or shall conduct its business fraudulently, or shall fail to comply with any of the provisions of this act, give notice in writing to the attorney general, who shall immediately commence an action against any such association to enjoin the same from carrying on any

business. And no injunctions against any such association shall be granted by any court, except on application by the attorney general, at the request of the commissioner of insurance, whether the state, or a member, or other party, seeks relief. No association so enjoined shall have authority to continue business until such report shall be made, or overt act or violations complained of shall have been corrected, nor until the costs of such action be paid by it, provided the court shall find that such association was in default as charged, whereupon the commissioner of insurance shall reinstate such association, and not until then shall such association be allowed to again do business in this state. Any officer, agent or person acting for any association or subordinate body, thereof within this state, while such association shall be so enjoined or prohibited from doing business pursuant to this act, shall be deemed guilty of a misdemeanor, and on conviction thereof, shall be punished by a fine not less than \$25 nor more than \$200, or by imprisonment in the county jail for not less than thirty days nor more than one year, or by both such fine and imprisonment, in the discretion of the court.

§ 16. PENALTY FOR FAILURE TO COMPLY.] Any person who shall act within this state, as an officer, agent, or otherwise, for any association, which shall have failed, neglected or refused to comply with, or shall have violated any of the provisions of this act, or shall have failed or neglected to procure from the commissioner of insurance proper certificate of authority to transact business, as provided for by this act, shall be subject to the penalty provided in the last preceding section for the misdemeanor therein specified.

Approved March 14, 1901.

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## CHAPTER 91.

[H. B. 4.]

### INCORPORATION OF BENEVOLENT AND SOCIAL INSTITUTIONS.

AN ACT to Amend Sections 3183 and 3184 of the Revised Codes of North Dakota, Relating to the Incorporation of Certain Classes of Benevolent, Charitable and Social Institutions.

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

§ 1: AMENDMENT.] That sections 3183 and 3184 of the Revised Codes of the state of North Dakota, be amended so as to read as follows:

§ 3183. WHO MAY FORM.] Lodges, chapters, posts, encampments, councils, commanderies, clubs or associations controlled by, or mainly composed of members of such fraternities or associations and other

similar organizations, grand or subordinate, of the fraternities or associations commonly known as the Free and Accepted Masons, Independent Order of Odd Fellows, Grand Army of the Republic, Knights of Pythias, and other similar benevolent, social or charitable fraternities or associations not organized for fraternal insurance, may become corporations upon compliance with the provisions of this article.

§ 3184. CONTENTS OF ARTICLES.] Any such lodge, chapter, post, encampment, council, commandery, club or association or other similar organization, desiring to avail itself of the provisions of this article, shall cause to be prepared articles of incorporations, which must set forth:

1. The corporate name by which said corporation shall be known.
2. The place where it shall be located.
3. The time during which it shall exist.
4. The number of its directors or trustees, and the names and residences of the members who shall serve as directors or trustees until the election and qualification of their successors in office.
5. Whether it shall be subject to any grand, supreme or sovereign lodge or other superior body or bodies.
6. The amount of property, not exceeding one hundred thousand dollars, which it may hold, and the disposition to be made of the same in case of its dissolution.
7. Whether the private property of its members shall be liable for its corporate debts.

§ 2. EMERGENCY.] Whereas, an emergency exists, in that there is no law under which a social club or association can be incorporated, therefore this act shall take effect and be in force immediately after its passage and approval.

Approved February 7, 1901.