

institution Five Thousand (\$5000.00) Dollars to remain in the hands of the managing officer of such institution, from which expenditures may be made in case of actual emergency requiring immediate action to prevent loss or danger to the institution or the inmates thereof. A full, minute and itemized statement of every expenditure made during the month from such fund, shall be submitted by the proper officer of said institution to the board, under such rules and regulations as may be by said board established. If necessary, the board shall make proper requisition upon the State Auditor for a warrant on the State Treasurer to secure the said contingent fund for each institution.

Approved February 28, 1919.

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## CORPORATIONS

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### CHAPTER 98.

(H. B. No. 190—Arnold.)

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#### CHARTERS OF CORPORATIONS.

An Act Reinstating and Validating Charters of Corporations and Organizations for the Purpose of Securing Homes for Orphans, Affected by Failure to Comply With the Provisions of Section 5100 of the Compiled Laws of the State of North Dakota for the Year 1913.

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

Sec. 1. CHARTERS VALIDATED.) All corporations heretofore organized or operated under the provisions of Section 5100 of the Compiled Laws of the State of North Dakota for the year 1913, whose charters have become forfeited or affected by reason of failure or neglect to secure a new certificate, as in said Section provided, shall be and the same are hereby validated for all purposes; provided, that any such corporation, at any time within ninety (90) days after the taking effect of this statute, with the approval of the Attorney General's department of this state and the payment of a penalty of five dollars (\$5.00), complies with the provisions of said Section 5100 with reference to securing a new certificate; and the charter of any such corporation, complying with the provisions of this statute within said period, is hereby declared reinstated and valid in all respects.

Sec. 2. EMERGENCY.) Whereas an emergency exists in that there is no provision for validating and reinstating corporations, which have failed or neglected to secure a renewal certificate under the provisions of Sec. 5100 of the Compiled Laws of 1913 of the State of North Dakota, this Act shall take effect and be in force from and after its passage and approval.

Approved February 26, 1919.

## CHAPTER 99.

(S. B. No. 128—Olson.)

## VOTING OF STOCKHOLDERS BY MAIL.

An Act to Amend and Re-enact Sections 12 and 16 of Chapter 97 of the Laws of North Dakota for the Year 1917, Relating to Voting by Mail and to Delegate Voting in Co-operative Associations, and Providing What Corporations May Adopt the Provisions of This Act.

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

Sec. 1. AMENDMENT.) Section 12 of Chapter 97 of the Laws of North Dakota for year 1917, is hereby amended and re-enacted to read as follows:

Sec. 12. STOCKHOLDERS MAY VOTE BY MAIL.) 1. At any regularly called general or special meeting of stockholders a written vote received by mail from any absent stockholder and signed by him may be read in such meeting and shall be equivalent to a vote of such stockholder so signing; provided, he has been previously notified in writing through the mail of the exact motion or resolution upon which vote is taken and copy of same is forwarded with and attached to the vote so mailed by him.

2. Any association created under this Act or which has adopted the provisions of this Act, as herein provided, and which has more than twenty-five hundred stockholders may, by by-law herein called the "principal by-law," adopted by a vote of not less than two-thirds of the shareholders of the association at a general or special stockholders meeting, duly called to consider said by-law, enact that the stockholders of the company and those who thereafter become stockholders shall be grouped in local units or societies formed upon the basis of territorial area, or such other basis as may be determined in said by-law or by resolution or action of the directors as hereinafter provided.

3. The association shall enact by said principal by-law that said societies or units shall be formed by the directors' of the association, at the first directors' meeting following the annual election and that the directors shall then determine the territorial limits or other basis from or upon which each society or unit and membership therein is drawn or formed, which territorial limits or other basis shall remain the same until after the next annual election of directors.

Sec. 4. Each of said societies or units shall be entitled to be represented at the annual or other stockholders' meetings of the Association by a delegate chosen by each society or unit from its members. Each delegate shall have the same powers at all such meetings as the shareholders of the Association would have had if said principal by-law had not been adopted. Provided that each delegate shall have and be entitled to cast but one vote on each question for each member of the society or unit which he repre-

sents who is not present and voting in person or by proxy. Every question proposed for consideration of the Association shall be subject to the provisions herein contained.

5. The directors of the Association shall have the power to do all things needful, whether by by-law, rule or otherwise, necessary to give effect to this section, and all rules or by-laws passed hereunder, including the power to fix the time and place and rules of conduct for the holding of meetings by said local societies or units for the selection of delegates, and the doing by said societies or units of all things needful to insure the representation of said societies or units at meetings of the Association and the transaction by said societies or units of business proper or needful to be dealt with by them to carry out the objects of this Act. Upon the enactment of said by-law with these provisions, or any of them the directors shall be vested with the powers therein provided for.

6. The said societies or units shall have power to do all things necessary to give effect to this Section and any rules or by-laws adopted hereunder.

Sec. 2. AMENDMENT.) Section 16 of Chapter 97 of the laws of North Dakota for the year 1917 is hereby amended and re-enacted to read as follows:

Sec. 16. CO-OPERATIVE ASSOCIATIONS AND OTHER CORPORATIONS HERETOFORE ORGANIZED, MAY ADOPT PROVISIONS OF THIS ACT. All co-operative corporations, companies, or associations heretofore organized and doing business under prior statutes, or which have attempted to so organize and do business under prior statutes, or which have attempted to so organize and do business, or which prior to March 12, 1917, were organized under the general corporation laws of the State, and whose articles of incorporation or by-laws did then provide for distribution of any portion of earnings or profits upon a co-operative basis, shall have the benefit of all of the provisions of this act, and be bound thereby on filing with the secretary of state a written declaration signed and sworn to by the president and secretary to the effect that said co-operative company or association has, by a majority vote of its stockholders, adopted at any time subsequent to March 12, 1917, decided to accept the benefits of and to be bound by the provisions of this Act. No association organized under this Act, or which has adopted the provisions of this Act shall be required to do or perform anything not specifically required therein, in order to become a corporation or to continue its business as such.

Sec. 3. REPEAL.) All Acts and parts of Acts in conflict herewith are hereby repealed.

Approved March 7, 1919.

## CHAPTER 100.

(H. B. No. 102—Martin.)

## CORPORATIONS.

An Act to Amend and Re-enact Section 4544 of the Compiled Laws of North Dakota for the Year 1913, Relating to Penalties for the Violation of Section 4543 of the Compiled Laws of North Dakota for the Year 1913.

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

Sec. 1. Sec. 4544 of the Compiled Laws of North Dakota for the year 1913 is hereby amended and re-enacted to read as follows:

Sec. 4544. PENALTY FOR VIOLATION OF LAST SECTION. For a violation of the provisions of the last section, the directors under whose administration the same may have happened, except those who may have caused their dissent therefrom to be entered at large on the minutes of the directors at the time, or were not present when the same did happen, are in their individual and private capacity, jointly and severally liable to the corporation, and to the creditors thereof, in the event of its dissolution, to the full amount of the capital stock so divided, withdrawn, paid out, or reduced, or debt contracted. There may, however, be a division and distribution of the capital stock of any corporation which remained after the payment of all its debts, upon its dissolution or the expiration of its terms of existence. No action or proceeding to enforce or recover any penalty, forfeiture or liability hereunder shall be commenced more than six months after the aggrieved party shall have had actual notice of the violation of the preceding section.

Approved March 3, 1919.

## COUNTY COMMISSIONERS

## CHAPTER 101.

(S. B. No. 194—Wenstrom.)

## MEETINGS OF BOARD OF COUNTY COMMISSIONERS.

An Act to Amend and Re-enact Section 3266, Compiled Laws of the State of North Dakota for the Year 1913, Relating to Meetings of Board of County Commissioners.

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

Sec. 1 AMENDMENT.) Sec. 3266, Compiled Laws of the State of North Dakota for the year 1913 is hereby amended to read as follows:

Sec. 3266. MEETINGS OF BOARD, TIME AND PLACE. The County