

of its members, providing at least three thousand members are present at such meeting, and provided further that the notice of such meeting shall have stated such proposed action would come up for consideration thereat. It shall be sufficient if such notice shall state generally that the matter of amending the articles or the adoption of new articles will come up for consideration at such meeting. The amendment or the new articles so adopted shall become effective upon the filing thereof with the secretary of state, accompanied by a certificate, signed by the president and secretary of such corporation or association, certifying the adoption thereof as herein provided.

Sec. 2. Any such corporation or association may provide in its articles or by-laws for the division of the state into two or more territorial units or divisions, with such organization, powers and authority as shall be prescribed therein, and for a general governmental body, to be composed of members elected by such territorial units or divisions and such ex-official and other members as may be prescribed in the articles or in the by-laws. Such body shall have and possess such powers and authority as shall be vested in it by the articles and its by-laws, and may include the election of the officers of the corporation or association and an executive board with such powers and authority as may be prescribed in the articles or by-laws or be fixed by such general governmental body, if any.

Approved April 8, 1933.

CHAPTER 168—S. F. No. 309

An act to amend Mason's Minnesota Statutes 1927, Section 7689 relating to liquidation and distribution of the assets of closed banks.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Liquidation and distribution of closed banks.**—That Mason's Minnesota Statutes 1927 Section 7689 be and it hereby is amended so as to read as follows:

"Section 7689. The *commissioner of banks* shall collect all debts due and all claims belonging to such bank, and upon the order of the district court may sell or compound all bad or doubtful debts, and on like order may sell all the real and personal property of such bank on such terms as the court shall direct, and may, if necessary to pay the debts of such bank, enforce the individual liability of the

stockholders. The *commissioner of banks* may under his hand appoint one or more special deputy examiners as agents to assist him in the duty of liquidation and distribution, the certificate of appointment to be filed in the office of the *commissioner of banks* and a certified copy in the office of the secretary of state and also the clerk of the district court of the county in which the principal office of such bank was located. The *commissioner of banks* may from time to time authorize any such special deputy examiner to perform such duties connected with such liquidation and distribution as the *commissioner of banks* may deem proper. The *commissioner of banks* may procure such expert assistance as may be necessary in the liquidation and distribution of the assets of such bank and may retain such of its officers or employes as he may deem necessary and upon his request in writing the attorney general shall employ a special attorney to act as counsel in all matters relating to the liquidation of each bank, which appointment shall be made according to the provisions of the statutes regulating the employment by the attorney general of special attorneys for state boards and officers, and the payment of such attorney shall be from the proceeds of the assets of the bank with whose liquidation he becomes thereby connected. The *commissioner of banks* shall require from each special deputy examiner such security for the faithful discharge of his duties as he may deem proper. The *commissioner of banks* shall cause notice to be given by advertisement in a legal newspaper in the city or village where such bank is located, or, if none in such city or village, then in the county, weekly for five (5) consecutive weeks, calling on all persons who may have claims against such bank to present the same to the *commissioner of banks*, and make legal proof thereof at a place and within a time not earlier than one week after the last day of publication, which time and place shall be specified in said notice. The *commissioner of banks* shall mail a similar notice to all persons whose names appear as creditors upon the books of the bank. If the *commissioner of banks* doubts the justice and validity of any claim he may reject the same and serve notice of such rejection upon the claimant, either by mail or personally. An affidavit of the service of such notice made according to law shall be filed with the *commissioner of banks*. An action upon a claim so rejected must be brought within sixty days after such service and the filing of proof thereof. The venue of such action shall be in the county in which such bank is located, and such action shall be brought jointly against the bank and the *commissioner of banks* as statutory liquidator of said bank. Any person having a claim against such bank and not presented and filed within the time fixed in the notice to creditors may present the same and the *commissioner of banks* shall allow or reject the same in whole or in part as hereinbefore provided, and

suit on such rejected claim not filed within the time fixed by the notice shall be brought within thirty days after the service and filing of proof of such rejection. Any claim not filed within the time fixed in the notice to creditors but received and filed as by this section provided and duly allowed, shall participate and share in such dividends only as shall be paid from the proceeds of those assets remaining undistributed at the time of filing of such claim. No interest shall be allowed or paid on any deposit or other claim from and after the closing of the bank and the taking over of the same by the commissioner of banks for purposes of liquidation. Upon taking possession of the property and assets of such bank the commissioner of banks shall make an inventory of the assets of such bank in duplicate, one to be filed in the office of the commissioner of banks and one in the office of the clerk of district court of the county in which the principal office of such bank was located. Upon the expiration of the time fixed for the presentation of claims, the commissioner of banks shall make in duplicate a complete list of the claims presented, including and specifying such claims as have been rejected by him, one such list to be filed in his office and one in the office of said clerk of district court. Such inventory and list of claims shall be open at all reasonable times to inspection. The compensation of the special deputy examiners and the other employes and assistants of the commissioner of banks, except legal counsel, and all expenses of supervision and liquidation shall be fixed by the commissioner of banks, subject to the approval of the district court of the county in which said bank is located, after notice fixing the time and place when the commissioner of banks will hear and fix the amount of all such expenses, and the amount so fixed and the compensation of legal counsel as fixed by the attorney general, shall be paid upon the certificates of the commissioner of banks and the attorney general respectively, out of the funds of such bank in the hands of the commissioner of banks. The moneys collected by the commissioner of banks shall be from time to time deposited in one or more state banks or trust companies, and, in case of a suspension or insolvency of the depository, such deposits shall be preferred before all of the deposits. At any time after the expiration of a date fixed for the presentation of claims the commissioner of banks may, out of the funds remaining in his hands after the payments of expenses, declare one or more dividends, and after the expiration of one year from the first publication of notice to creditors he may declare a final dividend, such dividends to be paid to such persons and in such amounts and upon such notice as may be directed by the said district court. Objections to any claim not rejected by the commissioner of banks may be made by any party interested by filing a copy of such objections with the commissioner of banks, who shall

present the same to the district court at the time of the next application to declare a dividend. Whenever any such bank of whose property and business the *commissioner of banks* has taken possession as aforesaid, deems itself aggrieved thereby it may at any time within ten days after such taking possession apply to the district court of the county in which such bank is located to enjoin further proceedings, and said court, after citing the *commissioner of banks* to show cause why further proceedings should not be enjoined, and hearing the allegations and proofs of the parties in determining the facts, may, upon the merits, dismiss such application or enjoin the *commissioner of banks* from further proceedings and direct him to surrender such business and property to such bank. Whenever the *commissioner of banks* shall have paid each and every depositor and creditor of such bank (not including stockholders) whose claim or claims as such creditor or depositor shall have been duly approved and allowed, the full amount of such claims, and shall have made proper provision for unclaimed and unpaid deposits or dividends and shall have paid all the expenses of the liquidation, the *commissioner of banks* shall call a meeting of the stockholders of such corporation by giving notice thereof for ten days by publishing such notice in one or more newspapers of the county where the bank is located. At such meeting the stockholders shall determine whether the *commissioner of banks* shall be continued as liquidator and shall wind up the affairs of such bank, or whether an agent or agents shall be elected for that purpose, and in so determining the said stockholders shall vote by ballot, in person or by proxy, each share of stock entitling the holder to one vote, and the majority of the stock shall be necessary to a determination. In case it is determined to continue the liquidation under the *commissioner of banks* he shall complete the liquidation of the affairs of such corporation, and after paying the expenses thereof, if there are proceeds of liquidation as yet undistributed he shall reimburse those stockholders who paid their stock assessments pursuant to the order for assessment to the extent that each has paid, and if the proceeds are insufficient to reimburse such paying stockholders in full, then in just proportion. Any proceeds remaining undistributed after such paying stockholders have been reimbursed as by this act provided shall be distributed among all the stockholders in proportion to their several holdings of stock in such manner and upon such notice as may be directed by the district court. In case it is determined to appoint an agent or agents to liquidate, the stockholders shall thereupon select such agent or agents by ballot, a majority of the stock present and voting, in person or by proxy, being necessary to a choice. Such agent or agents shall execute and file with the *commissioner of banks* a bond to the state of Minnesota, in such amount with such sureties and

in such form as shall be approved by the *commissioner of banks*, conditioned for the faithful performance of all the duties of his or their trust, and thereupon the *commissioner of banks* shall transfer and deliver to such agent or agents all the undivided or uncollected or other assets of such corporation then remaining in his hands, and upon such transfer and delivery, the said *commissioner of banks*, shall be discharged from any and all further liability to such bank and its creditors. Such agent or agents shall convert the assets coming into his or their possession into cash and shall account for and make distribution of the property of such bank as is herein provided in the case of distribution by the *commissioner of banks*, except that the expenses thereof shall be subject to the direction and control of the said district court. In case of the death, removal or refusal to act of any such agent or agents, the stockholders, on the same notice as that after which they were elected and in the same way, may elect a successor who shall have the same powers and be subject to the same liabilities and duties as the agent originally elected.

Dividends on deposits and other claims unclaimed up to the time of the application of the Commissioner of Banks for authority to pay a final dividend shall in just proportion be paid to other depositors and creditors who have duly filed their claims and who are entitled to participate in such final dividend. Final dividends unclaimed shall after the expiration of one year from the date of the court order authorizing the payment of the final dividend be paid to the State Treasurer and by him credited to the general revenue fund." Section 2. All acts or parts of acts inconsistent herewith are hereby repealed.

Approved April 8, 1933.

CHAPTER 169—H. F. No. 311

An act to amend Mason's Minnesota Statutes, 1927, Section 1933-5, relating to public rest rooms in all incorporated boroughs, villages, and cities of the fourth class.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Public rest rooms in certain municipalities.**—That Mason's Minnesota Statutes, 1927, Section 1933-5, the same being Laws 1921, Chapter 294, Section 1, be and the same hereby is amended so as to read as follows: