
STATE AND TERRITORIAL MINING LAWS.

ARIZONA.

COMPILED LAWS: 1864-1877.

CHAP. L.—ACTS RELATING TO MINES.

AN ACT allowing persons in the military service of the United States and of this territory to hold mining-claims. (Approved November 9, 1864, p. 511.)

SECTION 1. All persons in the military service of the United States or this territory shall be allowed to locate claims on mineral lodes or veins in the limits of this territory, subject to the requirements of the mining laws of this territory, and shall be protected in the possession of the same, and shall have the same rights in all respects, in regard to such claims, as like persons not in the military service.

SEC. 2. All the laws of any mining district contrary to the spirit and provisions of this act are declared to be null and void, and shall not be evidence in any court having jurisdiction of mining suits in this territory.

SEC. 3. This act shall take effect and be in force from and after its passage.

AN ACT of placer-mines and mining. (Approved December 30, 1865, p. 511.)

SECTION 1. It shall be lawful for any person, company, or association, who shall place upon the mineral lands of this territory, commonly called placer-mining grounds, a pump or pumps having a capacity sufficient to raise at least one hundred gallons of water per minute, with an engine or other power attached thereto, of sufficient power to work the same, with the *bona fide* intention of working the said placer grounds for the purpose of extracting the gold therefrom, to locate an amount of said placer grounds equal in extent to one-quarter section, in such form and direction as he or they may elect: *Provided*, That said location shall in no case be more than one mile in length nor less than one-quarter of a mile in width: *And provided*, That said machinery shall be used at least three months in each year for raising water to extract the gold from said grounds, and the presence of said machinery upon said grounds shall be the only evidence of title to said grounds; but in no case shall this act be so construed as to mean placer grounds which can be worked by water brought in ditches or flumes from any stream or other deposit of water; and said locations shall not in any case be made upon any grounds in the possession of any miner or miners at the time of location.

SEC. 2. This act shall only apply to the county of Yuma.

AN ACT providing for the location and registration of mines and mineral deposits, and for other purposes. (Approved November 5, 1866, p. 512.)

SECTION 1. The mining districts heretofore created in the several counties of this territory are hereby authorized and empowered to make all necessary rules and regulations for the location, registry, and working of mines therein: *Provided*, That all locations and registrations of mines and mineral deposits hereafter made in any of the said districts shall be transmitted to the county recorder for record, within sixty days after the same shall have been located.

SEC. 2. The county recorders of the several counties are authorized and required to procure suitable books, in which the records of all mines and mineral deposits shall be kept, which said books shall be paid for out of the county treasury, and they shall receive for their services herein the following fees: For recording and indexing each claim, not exceeding one folio, one dollar; and for each additional folio, twenty cents.

SEC. 3. Nothing in this act shall be so construed as to affect the claims to mines and mineral deposits heretofore located and duly recorded.

SEC. 4. The claim of the territory to all mining-claims heretofore located is hereby abandoned, and the same are hereby declared open to relocation and registry: *Provided*, That nothing herein contained shall be so construed as to affect mining-claims heretofore sold and disposed of by the territory.

SEC. 5. Nothing in this act shall be construed to apply to placer-mines or mining, or other mineral deposits other than those commonly called veins or lode-mines.

SEC. 6. Chapter fifty of the Howell Code, entitled "Of the registry and government of mines and mineral deposits", as well as all other acts or parts of acts in conflict with the provisions of this act, are hereby repealed.

SEC. 7. This act shall take effect and be in force from and after the first day of January, A. D. eighteen hundred and sixty-seven.

AN ACT to provide for the segregation of mining-claims. (Approved September 30, 1867, p. 513.)

SECTION 1. That whenever any one or more joint owners or tenants in common of gold, silver, copper, or mineral-bearing ledges or claims may desire to work or develop such ledges or claims, and any other owner or owners thereof shall fail or refuse to join in said work, after due notice of at least thirty days, given by publication in one newspaper printed in the county in which said ledges or claims are located, and if none be printed in said county, then in any newspaper printed in the territory, said notice to have publication in four successive weeks of said paper, said other owner or owners may, upon application to the district court of the district wherein the ledge or claim is situated, cause the interests of said parties so refusing to be set off or segregated, as hereinafter set forth.

SEC. 2. The owner or owners of any mineral-bearing ledge or claim, after the expiration of said thirty days' notice having been given, may, if the party or parties notified fail or refuse to join in the working or developing said ledge or claim, apply to the district court of the district wherein the ledge or claim may be situated for a partition or segregation of the interest or interests of the party or parties so failing or refusing to join.

SEC. 3. The party or parties so applying shall set forth the fact that the said parties have been duly notified in accordance with section one of this act, and that said party or parties have failed or refused to join in said work, all of which shall be sustained by the oath or affirmation of one or more of the parties applying; and, upon such application being made, the clerk of the said court shall post a notice at the office of the county recorder, and in two other conspicuous places within the district, stating the application, and notifying the parties interested that unless they appear within sixty days and show good cause why the prayer of the petitioner should not be granted, that the same will be granted if good cause can be shown.

SEC. 4. At the expiration of said sixty days, if the party or parties notified do not appear and show good cause why the prayer of the petitioner should not be granted, the court shall appoint two commissioners to go upon the ground and segregate the claims of the parties refusing to join; and, in case they do not agree, they to choose a third party; and said commissioners shall make a report in writing to said court, who shall issue a decree in conformity with said report, which shall be final, except appeal be taken to the Supreme Court within thirty days after issuance thereof.

SEC. 5. The provisions of this act shall not apply to the counties of Yavapai and Pima, and the county of Yuma.

SEC. 6. All acts and parts of acts in conflict with the provisions of this act are hereby repealed.

SEC. 7. This act to take effect and be in force from and after its passage.

CHAP. XXXV.—OF THE LIMITATIONS OF ACTIONS.

AN ACT supplementary to Chapter XXXV, Howell Code, "Of the limitation of actions." (Approved November 5, 1866, p. 360.)

SECTION 1. No action for the recovery of property in mining-claims, or for the recovery of possession thereof, shall be maintained unless it appear that the plaintiff, his ancestor, predecessor, or grantor was seized or possessed of the premises in question within two years before the commencement of the action.

SEC. 2. No cause of action or defense to an action founded upon the title to property in mining-claims, or to the rents or profits out of the same, shall be effectual unless it appear that the person prosecuting the action or making the defense, or under whose title the action is prosecuted or the defense is made, or the ancestor, predecessor, or grantor of such person, was seized or possessed of the premises in question within two years before the commencement of the act in respect to which such action is prosecuted or defense made.

SEC. 3. All acts or parts of acts in conflict with this act are hereby repealed.

SEC. 4. This act shall take effect and be in force from and after its passage.

PART III.—OF DISTRICT COURTS.

CHAP. XLV.—OF COURTS OF JUSTICE IN GENERAL AND THEIR JURISDICTION.

AN ACT conferring jurisdiction of all mining cases on the district court. (Approved December 30, 1865, p. 398.)

SECTION 1. The district courts of said territory shall have exclusive original jurisdiction of all suits and proceedings relating to mines and mineral and auxiliary lands, and the registry and denouncement of the same,

and all the jurisdiction, power, and authority conferred upon the probate courts and probate judges by chapter fifty of the Howell Code, entitled "Of the registry and government of mines and mineral deposits", or otherwise, are hereby conferred upon the district courts and district judges respectively.

SEC. 2. That section two of title one of said chapter is hereby repealed, and also all the other provisions of said chapter conferring jurisdiction upon the probate courts and probate judges over suits and proceedings relating to mines, mineral and auxiliary lands, as well as other acts and parts of acts inconsistent with the provisions of this act.

SEC. 3. All suits and other proceedings in said probate courts, now pending therein, and over which said probate courts have jurisdiction, are hereby transferred to, and shall be continued in, the district court of the county in which said suits and proceedings are now pending.

SEC. 4. The clerks of the probate courts shall, within thirty days after the publication of this act, transfer to and file in the office of the district courts of their respective counties, all records and papers in suits and proceedings relating to mines, mineral and auxiliary lands, which records and papers shall be kept and filed by the clerks of said district courts, and when so transferred and filed said suits and proceedings shall be proceeded with as though commenced in said district courts: *Provided*, That in counties where there shall be no clerks of the district courts, the records and papers shall be transferred and filed, as aforesaid, within thirty days after the appointment of said clerks and their acceptance thereof.

SEC. 5. This act shall take effect and be in force from and after its passage.

CHAP. XXVII.

AN ACT for securing liens to mechanics, laborers, and others. (Approved December 30, 1865, p. 247.)

SECTION 1. All artisans, builders, mechanics, lumber-merchants, and all other persons performing labor or furnishing material for the construction or repairing of any building, wharf, or other superstructure, or for work done upon any lode or mining-claim, shall have a lien on such building, wharf, superstructure, lode, or mining-claim for the labor done or material furnished by each respectively.

SEC. 2. Every person wishing to avail himself of the benefits of this act shall file in the recorder's office of the county in which such building, wharf, superstructure, lode, or mining-claim is situated, within ninety days after the completion of such building, wharf, or superstructure, or after such labor has been performed, a just and true account of the demand due him, after deducting all proper credits and assets, and shall verify said account by his own oath, or the oath of some other person, and shall also file, at the same time, a correct description of the property to be charged with such lien. If such lien is claimed by a subcontractor, journeyman, or other person performing labor or furnishing materials, the account aforesaid shall be filed within six days after the work was done or materials were furnished by him, and within five days after filing such account, as aforesaid, he shall serve a copy thereof on the owner or owners of such building, wharf, superstructure, or mining-claim, or the agent of such owners if the latter reside out of the county in which such building, wharf, or superstructure, or other improvements are situated. If such owner does not reside within the county, and has no agent therein, service of the copy aforesaid may be made by posting the same in a conspicuous place on the building, wharf, superstructure, or other work to be charged with such lien.

SEC. 3. On being served with a notice by a subcontractor, as provided in the last preceding section, the owner of such building, wharf, superstructure, or other work shall withhold from the contractor, out of the first money due to him under the contract, a sufficient sum to cover the lien claimed by such subcontractor, journeyman, or other person performing labor or furnishing materials, until the validity thereof shall be ascertained by a proper legal proceeding, if the same be contested, and, if so established, the amount thereof shall be a valid offset to its extent in favor of the owner against the contractor. But no attachment served on the funds in the hands of the owner of such building, wharf, superstructure, or other work, for claims other than those expressed in this act, shall lie against the liens created by this act, nor shall the owners be held or legally bound to answer such attachment until all claims under the contract or liens by this act shall be first satisfied.

NOTE.—The act further provides that the land on which any building shall be erected is subject to the lien; that the account required by section 2 (1477) shall specify the intention to claim a lien, and that it shall be recorded; that no lien shall bind any building, etc., longer than six months after filing, unless suit be brought, or if a credit be given, six months after expiration of the credit, and to the enforcement of the lien, etc. It is not essential to the purpose of this quotation that the full text be given.

CHAP. LI.

AN ACT in relation to general incorporations. (Approved November 6, 1866, p. 514.)

SECTION 1. Whenever three or more persons shall desire to incorporate themselves for the purpose of engaging in any lawful enterprise, business, pursuit, or occupation, they may do so in the manner provided in this act.

SEC. 2. Such persons shall make and subscribe written articles of incorporation in triplicate, and acknowledge

the same before any officer authorized to take the acknowledgment of a deed, and file one of such articles in the office of the secretary of the territory, another with the county recorder, where the enterprise, business, pursuit, or occupation is proposed to be carried on, or the principal office or place of business is proposed to be located, and retain the third in the possession of the corporation.

SEC. 3. The articles of incorporation, or a certified copy of the one filed with the secretary of the territory or the county recorder, is evidence of the existence of such corporation.

SEC. 4. The articles of incorporation shall specify: First, The name assumed by the corporation, and by which it shall be known, and the duration of the corporation. Second. The enterprise, business, pursuit, or occupation in which the corporation proposes to engage. Third. The place where the corporation proposes to have its principal office or place of business. Fourth. The amount of the capital stock of the corporation. Fifth. The amount of each share of such capital stock. Sixth. If the corporation is formed for the purpose of navigating any stream or other water, or making or constructing any railroad, macadamized road, plank road, clay road, canal, or bridge, the termini of such navigation, road, canal, or the site of such bridge, or for the purpose of mining and milling.

SEC. 5. Upon the making and filing of the articles of incorporation as herein provided, the persons subscribing the same are incorporators, and authorized to carry into effect the object specified in the articles, in the manner provided in this act; and they and their successors, associates, and assigns, by the name assumed in such articles, shall thereafter be deemed a body corporate, with power:

First. To sue and be sued.

Second. To contract and be contracted with.

Third. To have and use a corporate seal, and the same to alter at pleasure.

Fourth. To purchase, possess, and dispose of such real and personal property as may be necessary and convenient to carry into effect the object of the incorporation.

Fifth. To appoint such subordinate officers and agents as the business of the corporation may require, and prescribe their duties and compensation.

Sixth. To make by-laws, not inconsistent with any existing laws, for the sale of any portion of its stock for delinquent or unpaid assessments due thereon, which sale may be made without judgment or execution: *Provided*, That no such sale shall be made without thirty days' notice of time and place of sale, in some newspaper published in the county, if there be any newspaper published in said county, if not, then in some newspaper published nearest to the place of business of such company, within the territory, for the transfer of its stock, for the management of its property, and for the general regulation of its affairs.

SEC. 6. The incorporators, or any portion of them designated by a majority of the whole number, are authorized to open books and receive subscriptions to the capital stock of the corporation, and, as soon as such capital stock has been subscribed, they shall give notice to the subscribers to meet at such time and place as they may designate, for the purpose of electing not less than three nor more than seven directors, as the stockholders present shall determine: *Provided*, That it shall be lawful, in the organization of any corporation proposing to construct more than ten miles of railroad, to elect a board of directors as soon as one-half of the capital stock has been subscribed.

SEC. 7. The incorporators present at such meetings shall be inspectors of the election and certify who are elected directors, and appoint the time and place of their first meeting; and each stockholder who shall attend in person, or by proxy appointed by writing, and subscribed by such stockholder, shall be entitled to one vote for each share of capital stock subscribed by him; but, after such first election of the directors, no person shall vote on any share upon which any installment or portion thereof is then due and unpaid.

SEC. 8. No person is eligible to the office of director unless he is a stockholder in the corporation and resident of the territory, or represented by a duly-authorized agent; and a director, ceasing to be such stockholder or represented by such duly-authorized agent, ceases to be a director: *Provided*, That corporations constructing railroads in this territory may permit a minority of the board of directors to reside out of this territory. Before entering upon the discharge of their duties the directors shall each take and subscribe an oath to faithfully and honestly discharge such duties.

SEC. 9. The directors, when elected and qualified, at the first meeting thereafter shall elect one of their number president, who shall preside at their meetings and perform such other special duties as the directors may authorize, and at the same time shall appoint a secretary, whose duty it shall be to keep a fair and correct record of all the official business of the corporation; from the first meeting of the directors, the powers vested in the corporation are exercised by them or by their officers or agents under their direction, except as otherwise specially provided in this act.

SEC. 10. The notice of the time and place of the first meeting of the stockholders for the election of directors shall be given by publication of the same, for thirty days before such meeting, in some newspaper published at least once every two weeks in the county where the meeting is to be held, or in some newspaper published in like manner and in general circulation therein: *Provided*, That nothing herein contained shall be construed to prevent such stockholders from holding such meetings for the election of directors before the expiration of thirty days after such stock is subscribed, and without the publication of the notice above referred to: *Provided further*, That all

such stockholders shall be present at such meetings, or consent thereto in writing, which consent shall be filed with the secretary of such company. All notices of subsequent meetings of stockholders or directors shall be given for such time and in such manner as the directors may prescribe.

SEC. 11. There shall be an annual election of directors, and, at each election after the first, the president of the corporation shall act as inspector of election, and certify who are elected directors; the directors chosen shall hold their office for one year thereafter, and until their successors are elected and qualified; the powers vested in the directors may be exercised by a majority of them.

SEC. 12. Every corporation organized under this act shall keep a stock-book in such manner as to show intelligibly the original stockholders, their respective shares, the amount paid and the amount due thereon, if any, and all transfers thereof, which stock-book, or a certified copy thereof as to the items in this section specified, shall be subject to the inspection, at all reasonable hours, of any person interested therein and applying therefor.

SEC. 13. The stocks in all private corporations organized under this act are to be deemed personal property, and subject to attachment, execution, levy, and sale as such; and the corporation, in case of such sale, is required to make the necessary transfers to the purchasers on the stock-book.

SEC. 14. All sales of stock, whether voluntary or otherwise, transfer to the purchaser all rights of the original holder, or person from whom the same is purchased, and subject such purchaser to the payment of any unpaid balance due or to become due on such stock; but, if the sale be voluntary, the seller is still liable to existing creditors for the amount of such balance, unless the same be duly paid by such purchaser.

SEC. 15. If the directors of a corporation declare and pay dividends when the corporation is insolvent, or which renders it insolvent, or diminishes the amount of its capital stock, such directors shall be jointly and severally liable for the debts of the corporation then existing, or incurred while they remain in office; or if such directors shall, by any official act or conduct, fraudulently induce any person to give credit to such corporation, they shall be liable in like manner to such person for any loss he may sustain thereby; but any director who voted against such dividend, or such fraudulent act or conduct, if present, or who thereafter, as soon as the same came to his knowledge, filed his objections thereto, shall be exempt from such liability.

SEC. 16. Any corporation organized under this act, which does not elect directors and commence the transaction of business for which it was formed within one year from the time of filing of the articles of incorporation, shall thenceforth be divested of its corporate powers; and if such corporation shall, for any period of six months after the commencement of its business, neglect and cease to carry on the same, its corporate powers shall also cease.

SEC. 17. All corporations that expire by the limitations specified in their articles of incorporation, or are annulled for forfeiture or other cause, by the judgment of a court, continue to exist as bodies corporate for the period of five years thereafter, if necessary, for the purpose of prosecuting or defending actions, suits, or proceedings by or against them, settling their business, disposing of their property, and dividing their capital stock, but not for the purpose of continuing their corporate business.

SEC. 18. The stockholders of any private incorporation, heretofore incorporated by any special act of the legislature, may, at any time hereafter, while such corporation exists, incorporate themselves under this act, in the mode herein prescribed, for the purpose of carrying on the enterprise, business, pursuit, or occupation for which they may have been specially incorporated; and the filing of the articles of incorporation shall be deemed a surrender of such special incorporation, but not of any vested rights thereunder, and thereafter such corporation shall have the powers and privileges and be subject to the liabilities and limitations provided by this act, and not otherwise.

SEC. 19. Any corporation under the provisions of this act may, at any meeting of the stockholders which is called for such purpose, by a vote of a majority of the stock of such corporation, increase or diminish its capital stock, or the amount of the shares thereof, or authorize the dissolution of such corporation, and the settling of its business and disposing of its property, and dividing its capital stock: *Provided, however,* That the capital stock of any corporation formed under this act, except corporations formed for the purpose of making and constructing a railroad, shall never exceed the sum of five millions dollars; and any corporation that shall violate this provision of this act shall forfeit its corporate rights.

SEC. 20. Any corporation formed for the purpose of navigating any stream or other water may, by virtue of such incorporation, construct any railroad, macadamized road, plank road, or clay road, or canal, or bridge necessary and convenient for the purpose of transporting freight or passengers across any portages on the line of such navigation, occasioned by any rapids or other obstructions to the navigation of such stream or other water, in like manner and with like effect as if such corporation had been specially formed for such purposes; but no corporation formed under this act, or heretofore or hereafter incorporated by any special act of incorporation passed by the legislative assembly of this territory, or otherwise, for the purpose of navigating any stream or other waters of this territory, or forming the boundary thereof, in whole or in part, nor any stockholder in such corporation, shall ever take or hold stock, or any interest directly or indirectly in the stock of any corporation which may be formed under this act, for the purpose of building or constructing any road in this act mentioned, nor shall any such corporation ever purchase, lease, or in any way control such road or the corporate rights of such last-named corporation: *Provided, further,* That corporations heretofore incorporated, or which may hereafter be formed under

this act, for the purpose of establishing and keeping a ferry across any stream or other water of this territory, or forming the boundary thereof, in whole or in part, shall not be deemed a corporation for the purpose of navigating such streams of water within the meaning of this act, nor shall the stockholders thereof be restrained from taking or holding stock in a corporation formed under this act, for the purpose of constructing or building any road.

SEC. 21. The stockholders may, by a majority vote of the stock, change its general place of business.

SEC. 22. The directors of any corporation may file supplementary articles of incorporation, at any time when a unanimous vote of all the stock subscribed shall so determine, for the purpose of engaging in any new enterprise or business pursuit not in violation of law, or for the purpose of changing any part of the route of their road or canal, or either terminus, or both; the directors shall cause a notice to be published of the filing of such supplementary articles, setting forth the object of the same.

SEC. 23. Any company incorporated under the laws of any other state or territory, for any enterprise, business, pursuit, or occupation proposed to be carried on, or the principal office or place of business is proposed to be located, within this territory, shall make and file certified and duly-authenticated copies of their articles of incorporation, as required by section second of this act, and shall cause their enterprise, business, pursuit, or occupation to be represented by a duly-authorized agent or agents, who shall reside within the limits and under the jurisdiction of this territory, and, upon complying with the requirements of this section, shall be entitled to all the rights and privileges allowed by this act, and shall be held liable and responsible to all its provisions in like manner as though incorporated within this territory.

SEC. 24. Any such incorporation as is mentioned in the preceding section, who shall commence to operate or do business in this territory previous to complying with the requirements of this act, shall forfeit all their rights, interests, claims, and demands within this territory, and any person aggrieved by the acts of said incorporation may, by process of law before the district court of the county or district where the principal office or place of business of said corporation is located, in the same manner, by attachment or otherwise, as if for the payment of money, obtain judgment; and shall, upon the recovery of such judgment against said incorporate company, be held responsible for any damages which may be awarded in such judgment, and all property, real or personal, held or owned by said incorporation shall be responsible for such damages, and subject to levy and sale under execution.

NOTE.—Section 24 amended by "An act supplemental to 'An act of general incorporation'", etc.

SEC. 25. It shall be the duty of said incorporation to file with the secretary of the territory, and the county recorder of the county in which the said enterprise, business, pursuit, or occupation is located, the lawful appointment of an agent, upon whom all notices and all processes against such incorporation may be served, and when so served shall be deemed and taken to be a personal service on such incorporation for all purposes whatsoever.

NOTE.—Section 25 amended by an act of March 7, 1881. (Session Laws, p. 138.)

SEC. 26. All acts or parts of acts in conflict with this act, and particularly chapter fifty-one of the Howell Code, entitled "Of corporations for mining purposes", shall be, and are hereby, repealed.

SEC. 27. This act shall take effect and be in force from and after its passage.

AN ACT for the relief of foreign corporations doing business in this territory. (Approved December 15, 1868, p. 519.)

SECTION 1. All mining or other corporations, organized in other territories or in the states, doing business in this territory, are hereby relieved from the payment of any and all taxes levied upon them in the year one thousand eight hundred and sixty-eight, beyond those assessed upon the actual value of their real and personal estate within the territory.

SEC. 2. All acts and parts of acts conflicting with the provisions of this act are hereby repealed.

SEC. 3. This act shall take effect and be in force from and after its passage.

AN ACT supplemental to an act entitled "An act of general incorporation", approved November 6th, 1866. (Approved February 7, 1877, p. 519.)

SECTION 1. The provisions of section twenty-four of the act to which this act is supplemental shall not apply to any incorporation which has heretofore complied with the requirements of section twenty-three of said act, or which shall comply with such requirements within ninety days after the passage of this act.

SEC. 2. All forfeitures accrued under section twenty-four of said act are hereby remitted: *Provided*, That the provisions of this act shall not apply to or affect any pending action or actions.

CHAP. XXXIII.

AN ACT to provide revenue for the territory of Arizona, and the several counties thereof. (Approved February 12, 1875, p. 333.)

SECTION 1. The annual *ad valorem* tax of twenty-five cents upon each one hundred dollars value of taxable property is hereby levied and directed to be collected and paid, for territorial purposes, upon the assessed value of

all property in this territory not by this act exempted from taxation; and upon the same property the board of supervisors of each county is also hereby authorized and empowered to levy and collect for county purposes such additional and special taxes, not exceeding two dollars upon each one hundred dollars' value of taxable property, as the laws of this territory may authorize or require them to levy and collect.

* * * * *
 SEC. 3. Every tax levied under the provisions or authority of this act, upon any real property, is hereby made a lien upon the property assessed, which lien shall attach on the first Monday in March, and shall not be satisfied or removed until the taxes are all paid or the property has absolutely vested in a purchaser under a sale for taxes.

SEC. 4. All property of every kind and nature whatsoever, within this territory, shall be subject to taxation, except:

First. * * * All lands belonging to the United States. * * *

SEC. 5. The term "real estate", whenever used in this act, shall be deemed and taken to mean and include, and it is hereby declared to mean and include, the ownership of, or claim to, or possession of, or right of possession to any land within the territory; and the claim by, or possession of, any person, firm, corporation, association, or company to any lands shall be listed under the head of real estate: *Provided*, That the term "land", as used in this section, shall not be so construed as to include mining-claims, either lode or placer; the term "personal property", whenever used in this act, shall be deemed and taken to mean, and it is hereby declared to mean and include, * * *, gold, silver, and all other metals and minerals; * * * all machines and machinery; all works and improvements; * * * all capital loaned, invested, or employed in any trade, commerce, or business whatsoever; the capital stock of all corporations, companies, associations, firms, or individuals doing business or having an office in the territory; the money, property, and effects of every kind, except real estate, * * *, and all property of whatsoever kind or nature not included in the term "real estate" as said term is defined in this act; all personal property in the hands of any trustee, agent, administrator, executor, or receiver, and all personal property, mortgaged or pledged, shall, for the purposes of taxation, be deemed to be the property of the person who has the possession thereof.

NOTE.—"An act providing for the taxation of the net proceeds of mines", approved February 4, 1875 (p. 351), and "An act to amend 'An act providing for the taxation of the net proceeds of mines'", approved February 9, 1877 (p. 354), are repealed by acts approved February 21, 1881, and March 7, 1881, found, respectively, in Session Laws of 1881, pp. 78 and 137.

CHAP. XLVIII.—OF PROCEEDINGS IN CIVIL CASES, OF THE FORM OF CIVIL ACTIONS, AND OF THE PARTIES THERETO.

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Of the execution of the judgment in civil actions.

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SECTION 221. The property mentioned in chapter thirty-seven of this code, entitled "Of exemptions", shall be exempt from such execution, except in the manner in said chapter specified, and, as to all property so exempt, the proceedings on such execution shall be in accordance with the provisions of said chapter.

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CHAP. XXXVII.—OF EXEMPTIONS OF REAL ESTATE.

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Exemption of personal property.

SECTION 11. The following property shall be exempt from levy and sale under any execution, or upon any other final process of a court:

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8. The tools, implements, materials, stock, apparatus, team, vehicle, horses, harness, or other things to enable any person to carry on the profession, trade, occupation, or business in which he is wholly or principally engaged, not exceeding in value six hundred dollars.

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10. A sufficient quantity of hay, grain, feed, and roots for properly keeping for three months the animals in the several subdivisions of this section exempted from execution. * * *

AN ACT to amend section 25 of Chapter LI of the Compiled Laws of Arizona, entitled "Of general incorporations", approved November 6, 1866. (Approved March 7, 1881; Sess. Laws, 1881, p. 138.)

SECTION 1. Section 25 of Chapter LI of the Compiled Laws of Arizona, entitled "Of general incorporations", is hereby amended so as to read as follows: Add to said section 25 of said Chapter LI the following, to wit: *Provided, however,* That any company incorporated under the laws of any other state or territory, or any foreign country, and doing any business or holding any property within this territory, are required to file, with the county recorder of the county in which its business or property is located within this territory, the lawful appointment of an agent upon whom service of summons in all actions may be made. Such agent shall be a *bona fide* resident of the county in which his appointment shall be filed, and any company organized under the laws of any other state or territory, or any foreign country, failing to comply with the provisions of this section, shall be disqualified and incompetent to prosecute or defend or otherwise appear in any action in any court.

SEC. 2. All acts or parts of acts in conflict with the provisions of this act are hereby repealed.

SEC. 3. This act shall take effect and be in force from and after its passage.

SESSION LAWS OF 1881.

AN ACT relating to mines and mining-claims. (Approved March 12, 1881, p. 167.)

SECTION 1. Any person or persons who has or may hereafter locate a valid mining-claim in this territory under the laws of the United States, or of the territory of Arizona, shall be lawfully entitled to the right of way over all adjoining or adjacent mines or mining-claims for the purpose of transporting supplies, material, or ores used upon or taken from the claim or claims so entitled to the right of way; and it shall be lawful in the exercise of this right of way to construct such a road, tramway, or railway as may be necessary to transport such supplies, materials, or ores: *Provided,* That no such right of way shall be exercised in such a manner as to inconvenience or embarrass the owner or owners of such adjoining or adjacent claim or claims: *And provided, also,* That the owner or owners of said adjoining or adjacent claim or claims shall be entitled to remuneration from the person or persons claiming such right or way; the amount of such remuneration and the manner of ascertaining the same to be regulated by the rules and regulations as prescribed by an act of the territorial legislature, entitled "An act providing for constructing and maintaining toll roads, bridges, and ferries in Arizona territory", approved February 18, 1871.

SEC. 2. All acts and parts of acts in conflict with the provisions of this act are hereby repealed.

SEC. 3. This act shall take effect and be in force from and after its passage.

NOTE.—Said act of February 18, 1871, is found on page 538 of Compiled Laws of Arizona, and in section 3 of said act (section 3522 of the compilation) the "amount of such remuneration and the manner of ascertaining the same" are found as follows: "Any person or persons proposing to construct a toll-road under the provisions of this act shall have the right to enter upon private lands for the purpose of examining and surveying the same; and when such lands cannot be obtained by the consent of the owner or owners thereof, so much of the same as may be necessary for the construction of said road may be appropriated by said person or persons, after making compensation therefor as follows: Said person or persons shall select one appraiser, and said owner or owners shall select one, and the two so selected shall select a third, who shall appraise the lands sought to be appropriated, after having been first sworn, before some officer entitled to administer oaths, to make a true appraisement thereof according to the best of their knowledge and ability. If such person or persons shall tender to such owner or owners the appraised value of such lands, they shall be entitled to proceed in the construction of the road over the land so appraised, notwithstanding such tender may be refused: *Provided,* That such tender shall always be kept good by such person or persons: *And provided further,* That an appeal may be taken by either party from the finding of the appraisers to the district court of the district within which the lands so appraised shall be situated, at any time within three months after such appraisement."

AN ACT to encourage mining. (Approved March 12, 1881, p. 162.)

SECTION 1. That no lands taken up or held as mining-claims under the laws of the United States shall be held or used for agricultural purposes, or irrigated from any stream of water, unless there should be more water in such stream than is required or used for mining purposes; and the use of water for the purpose of irrigating such lands for agricultural purposes shall not vest in the person so using the same any right to such water, as against a subsequent appropriation for mining purposes.

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

(AN ACT entitled "An act to create the office of territorial geologist, and define the duties of said office." (Approved March 12, 1881, p. 171.)

SECTION 1. There shall be a territorial geologist, to be known as the territorial geologist.

SEC. 2. The territorial geologist shall, before entering upon the duties of his office, take the oath of office.

SEC. 3. The territorial geologist shall be a competent mining engineer, and a resident of this territory, and shall hold office during the pleasure of the governor of the territory, shall hereafter as often as necessary [vacancy]

may occur in such office, fill the same by appointment. Such appointment shall be subject to confirmation by the legislative council of the territory.

SEC. 4. The duties of the territorial geologist shall be :

First. To collect all information as to the condition of mining industry in all portions of the territory, including first the product of gold, silver, copper, lead, and other metals; of coal, salt, gypsum, and other mineral products, the extent and character of the developments made in the various districts.

Second. The geological and mineralogical formation of the territory.

Third. The number and character and efficiency of the various reduction-works employed, and all improvements in metallurgical processes.

Fourth. To collect and exhibit a cabinet that shall justly represent the ores and minerals of the territory.

Fifth. To assay ores and analyze waters, minerals, etc., upon demand of any person, charging therefor the ordinary business rates for such services.

SEC. 5. It shall be incumbent on mine and mill owners to furnish to the territorial geologist any information he may legitimately require to competently execute the duties of his office.

SEC. 6. The territorial geologist shall not be allowed any salary or money for services rendered, or traveling expenses of any kind or character whatever.

SEC. 7. As often as the information and statistics collected shall be sufficient to form a volume of convenient size, the territorial geologist shall, with the consent and approval of the next legislature, cause an edition of such number of copies of the same to be printed and published in a neat and substantial manner as in his judgment he may deem proper.

SEC. 8. That this act shall take effect and be in force from and after its passage.

CALIFORNIA.

HITTELL'S GENERAL LAWS OF CALIFORNIA: 1850-1864.

AN ACT to protect owners of growing crops, buildings, and other improvements in the mining districts of this state. (Approved April 25, 1855, p. 683.)

SECTION 1. No person shall, for mining purposes, destroy or injure any growing crops of grain or garden vegetables growing upon the mineral lands of this state, nor undermine or injure any house, building improvement, or fruit trees standing upon mineral lands and the property of another, except as hereinafter provided.

SEC. 2. Whenever any person, for mining purposes, shall desire to occupy or use any mineral lands of this state, then occupied by such growing crops of grain, garden vegetables, fruit trees, houses, buildings, or other improvements, property of another, such person shall first give bond to the owner of the growing crop, building, fruit trees, or other improvement, to be approved by a justice of the peace of the township, with two or more sufficient sureties, in a sum to be fixed by three disinterested citizens, householders of the township, one to be selected by the obligor, one by the obligee, and one by a justice of the peace of the township, conditional that the obligor shall pay to the obligee any and all damages which said obligee may sustain in consequence of the destruction by the obligor, or those in his employ, of the growing crops, fruit trees, improvements, or buildings of the obligee: *Provided*, That the word improvements in this act shall be construed to mean any superstructure on said farm, ranch, or garden, and nothing more.

SEC. 3. If any person or persons shall violate the provisions of the first and second sections of this act, he or they shall be deemed guilty of a misdemeanor, and, on conviction thereof before any court of competent jurisdiction, shall be fined in a sum not exceeding two hundred dollars, nor less than fifty dollars, or by imprisonment in the county jail of said county not exceeding three months, either or both, at the discretion of the court: *Provided*, Nothing in this act shall prevent miners from working any mineral lands in the state after the growing crops on the same are harvested.

AN ACT concerning partnerships for mining purposes. (Approved April 4, 1864, p. 684; Cal. Stats., 1863-'4, p. 478.)

SECTION 1. All written contracts of copartnership for mining purposes upon the lands of the United States within this state, formed by two or more persons, shall be subject to the conditions and liabilities prescribed by this act.

NOTE.—This act was repealed by "An act entitled 'An act concerning partnerships for mining purposes'", approved April 2, 1866. (Cal. Stats., 1865-'66, p. 828; Parker's General Laws, p. 338.)

SEC. 2. Any member of a copartnership, or his successor in interest, in any mining-claim, who shall neglect or refuse to pay any assessment, or shall neglect to perform any labor or other liability incurred by the copartnership

agreement, may, after the expiration of sixty days after such assessment, labor, or other liability has become due, be notified in writing by any remaining partner or partners, or by his or their agents, that such assessment, labor, or liability is due, which written notice shall specify the name of such mine and the districts wherein it is located, and shall particularly mention the liability which has been incurred; and if such delinquent resides within the state he shall be personally served with such notice; and if the person so notified shall refuse or neglect, for thirty days after service of such written notice, to comply with the requirements of the copartnership agreement, the remaining partner or partners may sell the interest of such delinquent partner in and to such mining-claim.

SEC. 3. All sales under the provisions of this act shall be at public auction, and by giving five days' notice thereof, by posting written notices in three public places within the mining district where such mine is located. The notice shall also specify the extent of the interest to be sold, and the name of the delinquent partner or partners, and the time and place of such sale, which place shall be within the district where the mine is located. The purchaser at such sale shall acquire all the rights and title of the delinquent partner.

SEC. 4. If any delinquent partner in any mine is absent from the state, or resides in any other state or territory, the notice to such delinquent shall be by publication, once a week for four months, in some newspaper published in the county where the mine is located, or if there be no newspaper in the county, then such notice shall be published in some newspaper in an adjoining county. After the expiration of the time of such publication, the interest of such delinquent shall be sold in the manner prescribed in section third of this act.

SEC. 5. This act shall take effect from and after its passage.

AN ACT to provide for the conveyance of mining-claims. (Approved April 13, 1860, p. 110.)

SECTION 1. Conveyances of mining-claims may be evidenced by bills of sale or instruments in writing not under seal, signed by the person from whom the estate or interest is intended to pass, in the presence of one or more attesting witnesses; and also all conveyances of mining-claims heretofore made by bills of sale or instruments in writing not under seal shall have the same force and effect as *prima-facie* evidence of sale as if such conveyances had been made by deed under seal: *Provided*, That nothing in this act shall be construed to interfere with or repeal any lawful local rules, regulations, or customs of the mines in the several mining districts of this state: *And provided further*, Every such bill of sale or instrument in writing shall be deemed and held to be fraudulent and void as against all persons except the parties thereto, unless such bill of sale or instrument in writing be accompanied by an immediate delivery to the purchaser of the possession of the mining-claim or claims therein described, and be followed by an actual and continued change of the possession thereof, or unless such bill of sale or instrument in writing shall be acknowledged and recorded, as required by law in the case of conveyances of real estate.

(SEC. 2. This act shall apply to gold-mining claims only.)

NOTE.—Section 2 repealed by act March 26, 1863.

SEC. 3. This act shall be in force and take effect from and after its passage.

AN ACT in reference to corporations organized in this state for the purpose of mining out of this state. (Approved March 5, 1861, p. 157.)

SECTION 1. That it may be lawful for any corporation organized in this state, under the laws of this state, for the purpose of mining, or carrying on mining operations, without this state, whose business office is in this state, to levy assessments upon the capital stock thereof to pay the debts, future or present, of said corporation, or to carry on the business of said corporation: *Provided*, The same shall be equal and uniform; and at no time exceed five per cent. of the capital stock, and such levy, or assessment, shall constitute a valid and binding obligation upon the holders of such stock to pay the sum so assessed against the stock so held. Notice of each such call, or assessment, shall be given to the respective stockholders personally, or shall be published once a week for at least four weeks in some newspaper published at the place designated as the principal place of business of the corporation, and also in some newspaper published nearest to the point where said mining operations are being carried on. If, after such notice has been given, any stockholder shall make default in the payment of such call, or assessment, as to the shares of stock held by him, so many of such shares may be sold as will be necessary for the payment of the call, or assessment, on the shares held by him. The sale of said shares shall be made as prescribed in the by-laws of the company: *Provided*, That no sale shall be made except at public auction to the highest bidder, after a published notice of thirty days, published as above directed; and that at such sale the person who will agree to pay the call, or assessment, so due, together with the expense of advertisement and the other expenses of the sale, for the smallest number of whole shares, shall be deemed the highest bidder.

SEC. 2. This act shall take effect from and after its passage.

AN ACT to authorize mining companies or corporations to change their principal place of business. (Approved February 15, 1864, p. 157; Cal. Stats., 1863-'64, p. 76.)

SECTION 1. Any mining company or corporation lawfully organized and incorporated for mining purposes within the state of California may change its office or principal place of business by first obtaining the consent, in writing, of the stockholders representing two-thirds of all the capital stock of the company: *Provided*, That notice of such intended change, after such consent shall have been obtained, shall be inserted for thirty days in some newspaper published at or nearest the principal place of business of said mining company or corporation, designating the county, or city and county, to which it is intended to remove, before such removal shall be deemed lawful.

SEC. 2. Any mining company or corporation availing itself of the privileges of this act, upon filing in the office of the county clerk of the county, or city and county, to which a removal is intended to be made, a certified copy of its articles of incorporation, together with a certificate of the trustees of the company or corporation, under the seal thereof, that the requirements of section one of this act have been fulfilled, shall, from the time of such filing, be vested with all the powers in its new place of business which it might or could have exercised if originally incorporated in the county to which its office or principal place of business shall be removed.

SEC. 3. This act shall not be so construed as to authorize any mining company or corporation to remove its office or principal place of business out of the state.

SEC. 4. All acts and parts of acts inconsistent with the provisions of this act are hereby repealed.

SEC. 5. This act shall take effect and be in force from and after its passage.

AN ACT to authorize the removal of the office and principal place of business of mining and other corporations from the town of Aurora, in the territory of Nevada, to the city of San Francisco, or other places in the state of California. (Passed February 27, 1864, p. 158; Cal. Stats., 1863-'64, p. 109.)

SECTION 1. It is hereby declared lawful for any corporation heretofore organized under the laws of this state, whose principal place of business is in the town of Aurora, territory of Nevada, and such corporation is hereby authorized and empowered to remove its office and principal place of business to the city of San Francisco, or to any other city or town in the state of California, as such corporation may select, by a resolution of the board of trustees thereof, adopted in accordance with its by-laws.

SEC. 2. Every such corporation desiring to make such removal shall file in the office of the clerk of the city and county of San Francisco, or of the city and county of Sacramento, or of such county in this state wherein is situated the city or town to which such corporation desires to remove, a certified copy of such resolution, under their corporate seal, together with a certified copy of the original certificate of incorporation now on file in the office of the secretary of state, and shall also deliver a certified copy of such resolution to the county clerk of Esmeralda county, Nevada territory, and shall cause the same to be published for four successive weeks in some newspaper in the said town of Aurora; and from the time of the filing of said instruments in the clerk's office of the proper county in this state, the office and principal place of business of such corporation shall be deemed removed to and established at such city or town in this state as may be declared in such resolution.

SEC. 3. The resolution heretofore passed by the board of trustees of any corporation whose office and principal place of business has heretofore been in the town of Aurora; removing such office and place of business to any city or town in the state of California, is hereby legalized and declared valid and effectual; and from the time of the passage of such resolution all acts and proceedings of the trustees of such corporation, had or done in such city or town in this state, are hereby declared and made valid and effectual, in law and equity, as fully to all intents and purposes as though such city or town had been originally designated in the certificate of incorporation of such corporation as the principal place of business thereof: *Provided*, That such corporation shall, within sixty days from the passage of this act, file in the office of the county clerk of the county wherein such city or town is situated a certified copy of such resolution, attested by their corporate seal, together with a certified copy of the certificate of incorporation of said corporation now on file in the office of the secretary of state.

SEC. 4. This act shall take effect from and after its passage.

AN ACT to authorize corporations organized in this state, for the purpose of mining in or without this state, to establish and maintain transfer agencies in other states. (Approved April 4, 1864, p. 158; Cal. Stats., 1863-'64, p. 429.)

SECTION 1. That it may be lawful for any corporation organized in this state, for the purpose of mining or carrying on mining operations in or without the state, to establish and maintain agencies in other states of the United States for the transfer and issuance of their stock; and a transfer or issuance of [the] same at any such transfer agency, in accordance with the provisions of this statute, shall be valid and binding, and as fully and effectually so for all purposes as if made upon the books of such corporation at its principal office within this state.

SEC. 2. All stock of any such corporation issued at any such transfer agency shall be signed by the president and secretary of the corporation, and countersigned at the time of its issuance by the agent or agents of such

corporation having the charge of such transfer agency; and no stock shall be issued at such transfer agency unless the certificate or certificates of stock in lieu of which the same is issued shall at the time of such issuance be surrendered for cancellation.

SEC. 3. The stockholders of any such corporation may pass by-laws for the regulation and conduct of any such transfer agency: *Provided*, The same be not inconsistent with the provisions of this act. And such transfer agency shall at all times be subject to the control of the trustees of said corporation.

SEC. 4. All acts or parts of acts inconsistent herewith are hereby repealed.

SEC. 5. This act shall take effect from and after its passage.

AN ACT supplementary to an act to amend "An act defining the time for commencing civil actions", passed April 22, 1850, p. 638, approved April 18, 1863. (Approved February 18, 1864; Cal. Stats., 1863-'64, p. 91.)

SECTION 1. No action for the recovery of property in mining-claims, or for the recovery of the possession thereof, shall be maintained unless it appears that the plaintiff, his ancestor, predecessor, or grantor was seized or possessed of the premises in question within two years before the commencement of this action.

SEC. 2. No cause of action or defense to an action founded upon the title to property in mining-claims, or to the rents or profits out of the same, shall be effectual unless it appear that the person prosecuting the action or making the defense, or under whose title the action is prosecuted or the defense is made, or the ancestor, predecessor, or grantor of such person was seized or possessed of the premises in question within two years before the commencement of the act in respect to which such action is prosecuted or defense made.

SEC. 3. This act shall take effect from and after its passage.

AN ACT to regulate the rights of the owners of mines. (Approved April 1, 1870; Parker's Gen. Laws Cal., p. 336.)

SECTION 1. The owner or owners of mines or mining-claims in this state shall have a right of way for ingress and egress, for all necessary purposes, over and across the land or mining-claims of others, as hereinafter prescribed.

SEC. 2. Whenever any mine or mining-claim shall be so situated that it cannot be conveniently worked without a road thereto, or a ditch to convey water thereto, or a ditch or cut to drain water therefrom, or without a flume or tunnel thereto, or a place whereon to dump or deposit tailings, and such road, ditch, or drain, or such flume or tunnel shall necessarily pass over, across, or through or under, and such place of deposit be upon mining-claims or other lands owned or occupied by others, then shall such first-mentioned owner or owners be entitled to a right of way for such road, ditch, drain, flume, or tunnel over, across, or through or under or to such place of deposit upon such other mining-claims or lands, upon compliance with the provisions of this act.

SEC. 3. Whenever the owner or owners of any mine or mining-claim shall desire to work the same, and it is necessary, to enable him or them to do so conveniently, that he or they should have a right of way for any of the purposes mentioned in the foregoing sections, or that he or they should have a place for dumpage and deposit of tailings, as mentioned in the preceding section, and such right of way or place of deposit shall not have been acquired by private agreement between him or them and the owners or occupants of the claims or lands over, across, under, or upon which he or they seek to establish such right of way or place of deposit, then it shall be lawful for him or them to present to the county court, or to the county judge if the court be not in session, of the county wherein such mine or claims are situated, a petition, praying that such right of way or place of deposit be awarded to him or them. Such petition shall be verified and shall contain a particular description of the character and extent of the right sought, a description of the mine or claims of the petitioners and of the claims or lands to be affected by such right or privilege, with the names of the owners or occupants thereof. It shall also show that such right or privilege has not been acquired by private agreement or contract between the respective parties, and shall conclude with a prayer for the allowance thereof by the court or judge, and the appointment of three commissioners to assess the damages resulting from such allowance.

SEC. 4. Upon the receipt of such petition and the filing thereof in the office of the clerk of the county court, the court or judge, as the case may be, shall direct a citation to issue, under the seal of the court, to the owners, named in the petition, of mining-claims or lands to be affected by the granting of such right or privilege, requiring them and each of them to appear before such court, or the judge thereof if the court be not in session, on a day therein named, which shall not be less than ten days from the service thereof, and show cause why such right or privilege should not be awarded or allowed, and such commissioners appointed as prayed for. Such citation shall be served on each of the parties therein named in the manner prescribed by law for the service of summons in ordinary proceedings at law.

SEC. 5. Upon the day named in the citation, or upon any subsequent day to which the hearing may be adjourned, the county court, or the county judge if the court be not in session, shall proceed to hear the allegations and proofs of the respective parties, and if satisfied that the claims of the petitioners can only be conveniently worked by

means of the right of way, privilege, or place of deposit prayed for, shall make an order adjudging and awarding to such petitioners such right of way, privilege, or place of deposit, and appointing three disinterested persons, residents of the county, as a commission to assess the damages resulting to the owners of mining-claims or lands affected thereby.

SEC. 6. The commissioners so appointed, being duly sworn, shall proceed without delay to examine the mine or claims of the person or persons petitioning, as well as the mining-claims or lands to be affected by the right or privilege prayed for. They may also hear testimony relative to the value of such mining-claims or lands, and the damages resulting from such right or privilege, and report in writing the result of their inquiries to the court or judge appointing them. Such report shall designate the course or line and dimensions of the road, ditch, drain, flume, or tunnel (as the case may be), or the place of deposit prayed for. It shall further designate the value of the lands to be occupied by or appropriated to and for such right of way or place of deposit, and assign the damages which each of the owners or occupants of mining-claims or lands affected by such right of place or deposit shall suffer in consequence thereof.

SEC. 7. Within ten days from the filing of such report, any of the parties concerned in the same may move, for cause shown by affidavit, to set aside the same; and if, upon the hearing of such motion, such court or judge shall set aside or vacate such report, a new commission shall be appointed, which shall proceed in all respects as is provided for the first commission. If no motion to set aside the report of the first or any succeeding commission be made as provided in the last section, or if, being made, it is denied, then the same shall be regarded as final, and an order shall be made by the court or judge in pursuance thereof.

SEC. 8. Upon the payment of the sum assessed as damages to each of the owners or occupants of claims or lands to whom the same shall have been awarded by the report and order mentioned in the preceding section, then the person or persons petitioning shall be entitled to the right of way or place of deposit, as designated and defined by such report, over or upon the land or claims of the person or persons receiving such compensation, and he or they may, upon making such payment, proceed to occupy the line, route, way, or place of deposit so designated, and to erect thereon such works and structures, and make such excavations, as may be necessary to the use and enjoyment of the right of way or place of deposit so awarded.

SEC. 9. Whenever the owner or owners of any mine or mining-claims are desirous, in working the same, to carry off the tailings and other refuse matter through and along any water course, ravine, or natural outlet, which is in whole or in part owned or occupied by other persons for mining or other purposes, then such first-mentioned owner or owners may proceed, in the manner hereinbefore provided, to have such right and privilege awarded to him or them: *Provided, nevertheless,* That the county court or judge shall not make such award or appoint a commission unless such court or judge shall be satisfied that the right or privilege sought can be enjoyed without especial injury to those owning or occupying claims or lands along or upon such water course, ravine or outlet.

SEC. 10. All costs and expenses shall be paid by the party making the application, and the commissioners appointed shall receive five dollars per day for each day actually engaged in the service.

AN ACT to secure to the miners of this state pure and unadulterated quicksilver. (Approved March 10, 1866; Parker's Gen. Laws Cal., p. 338.)

SECTION 1. Every company or person within this state engaged in the production of quicksilver by mining for the purposes of sale, and every firm, company, or person importing into this state quicksilver for the purpose of sale, shall cause to be prepared a metallic stamp of such form and character as may enable such company or person to impress upon wax or other plastic material the seal hereinafter provided. Such stamp shall be so constructed that either by characters engraved upon the same, or moveable types and dies connected therewith, there may be impressed a seal, showing:

First. The name of the company, firm, or person producing or importing the quicksilver.

Second. The date at which such seal is applied to each tank or vessel of quicksilver.

Third. The amount of quicksilver contained in such tank or vessel.

SEC. 2. Before any tank of quicksilver shall leave the works of any mining company engaged in the production of the same for sale, or the warehouse of any firm or person importing such quicksilver for sale, such company, firm, or person shall cause a seal of wax, or other plastic material adapted to the purpose, to be applied to the tap, plug, or orifice through which such tank is filled, in such a manner that such tap or plug cannot be removed or disturbed, or such orifice opened without breaking or displacing such seal. Such seal when thus applied shall be impressed with the stamp above provided, in such manner that such seal shall exhibit plainly all the characters required of such stamp.

SEC. 3. Any person who shall forge or falsely fabricate the stamp or seal of any company, firm, or person, as herein provided, or attach the same to any tank or vessel of quicksilver, shall be deemed guilty of forgery, and, upon conviction, shall be punished by imprisonment in the state prison for the period of not less than one nor more than five years.

SEC. 4. Any person who shall willfully and knowingly adulterate and debase any quicksilver designed for sale, or that may hereafter be offered for sale, by mixing with such quicksilver any lead, antimony, or other base metal, shall be deemed guilty of a misdemeanor, and, upon conviction, shall be fined in a sum not exceeding one thousand dollars, or imprisonment in the county jail not exceeding one year, or both such fine and imprisonment.

SEC. 5. Any vendor of quicksilver who shall vend or sell to any person any quicksilver debased or adulterated, by mixture with the same of any lead, antimony, or other base metals, shall be liable to the purchaser of such quicksilver for all the damages and injury sustained from such debasement, to be recovered by such purchaser in a civil action. And such damages, when ascertained by the court or jury, shall be at once quadrupled by the court, or by the clerk by order of the court, and judgment for four times the damages proven shall be entered in favor of the plaintiff and against such defendant: *Provided*, That nothing contained in this section shall be taken to apply to any person selling quicksilver that has been already employed in mining or the mechanical arts, and who, when selling the same, shall state to the purchaser that such quicksilver has been thus employed.

AN ACT entitled an act concerning partnerships for mining purposes. (Approved April 28, 1866; Parker's Gen. Laws Cal., p. 338.)

SECTION 1. Whenever any two or more persons, being owners, occupants, or locators of any mining-claim, or when any two or more persons shall have associated themselves together, with or without any written agreement (but not as a body corporate), for the purpose of working or prospecting any mining-claim on any of the public lands of the United States, shall, after being notified in writing by any member of said mining company that they have been associated in said mining-claim, be deemed to be copartners for the purpose of prospecting or working said mining-claim, and shall be subject to the provisions and liabilities imposed by this act.

SEC. 2. After a mining-claim shall have been located, any person who shall be a member of the company desiring to work said claim may notify the other members of the company of his or their desire to have an assessment levied against the owners of said claim for the purpose of prospecting, working, or developing such claim, designating a time and place for a meeting of the members of such company for the purpose of levying such assessment. Such notice shall be given as provided in the fourth section of this act, and if a majority of the shares in such mining-claim be represented at such meeting, then a majority of those present at such meeting shall be authorized to levy such assessment; but if a majority of the shares in such company be not represented at such meeting, then a majority of those present shall be authorized to cause the said mining-claim to be prospected or worked; and thereafter the owners in such mining-claim shall be liable for their respective proportion of the expenses so incurred in prospecting, working, or developing such claim to the extent of the value of their interest in such claim; and thereafter assessments may be levied from time to time, not oftener than once in thirty days, by any member not delinquent of said mining company, against delinquent members, for the collection of sufficient amount of assessment to pay for the working and prospecting of such claim up to the time such assessment is made; and such delinquent assessment may be collected as in this act provided: *Provided*, That when the mining companies have by-laws designating what amount of work shall be done in such claim, then any assessment made as provided in this act shall not exceed an amount sufficient to pay for the work required by the by-laws: *And provided further*, That no new assessment shall be made until all previous assessments have been paid, or the remedies for the collection thereof shall have been exhausted.

SEC. 3. Any member of a mining company, or his heirs, executors, administrators, or assigns in any mining claim, who shall neglect or refuse to pay any assessments, or shall neglect to perform any labor, or other liability which shall become due from him under this act, may, after the expiration of thirty days after such assessment, labor, or other liability has become due, be notified in writing by any remaining member or members, or by his or their agent, that such assessment, labor, or other liability is due, which written notice shall specify the name of such mine and the district wherein it is located, and shall particularly mention the liability which has been incurred.

SEC. 4. Such notice and all other notices required under this act shall be served as follows:

First. If the party reside in the county where the mine is located, it shall be delivered to him personally or left at his place of residence.

Second. If the party reside out of the county but within the state, and his place of residence is known, such notice shall be deposited in a post-office or express-office, in a sealed envelope, with postage or express charges, as the case may be, prepaid, addressed to such party at his place of residence.

Third. If such party reside out of the state, or his place of residence is unknown, such notice shall be published once a week for eight successive weeks in some newspaper published in the county where the mine is located, if there be such paper; otherwise, in some newspaper published in an adjoining county.

SEC. 5. If the person so notified shall neglect or refuse to pay or discharge such assessments, work, or liability for ten days after personal service, or leaving notice at his residence, when such service has been had, or notice so left, or for twenty days after deposit in post or express office of such notice, when such deposit has been made, or until the expiration of the full period of publication herein provided, when publication is made, thereafter such delinquents shall be deemed to have absolutely forfeited and abandoned to the other members of said mining

company all the right, title, claim, and interest owned, held, or possessed by such delinquent in the said mining-claim, such portion thereof as shall be sufficient to satisfy such delinquency; the remaining member or members may sell the interest of such delinquent member in and to such mining-claim, or so much of said interest as may be required to pay such assessment or liability, together with costs of sale.

SEC. 6. All sales under the provisions of this act shall be at public auction at the mining-claim, and shall be made by any constable of the township, auctioneer, or sheriff of the county, and by giving ten days' notice thereof by posting written notices in three public places within the mining district where such mine is located. The notice shall also specify the extent of the interest of the delinquent, and the amount of the delinquency, and the name of such delinquent member or members at the time and place of such sale, which place shall be within the district where the mine is located, and shall commence by offering the smallest number of feet or shares in such claim for sale, and continue selling at the same time and place until a sufficient number of feet or shares is sold to pay the delinquent assessment or liabilities; and the officer selling shall execute a deed to the purchaser or purchasers, and such deed shall be received in all courts as *prima-facie* evidence of the lawful authority of the officer selling, and of the regularity of all proceedings prior to the execution of the deed, and as *prima-facie* evidence that all the right, title, and interest of the party delinquent has been lawfully and rightfully sold and conveyed to the purchaser; and the purchaser's title to such mining-claim shall be absolute.

SEC. 7. The provisions of this act shall also apply to all persons who have refused or neglected to sign articles of incorporation or a deed of trust in any incorporated mining company.

SEC. 8. An act entitled "An act concerning partnerships for mining purposes", approved April fourth, eighteen hundred and sixty-four, is hereby repealed.

AN ACT to authorize and direct the municipal authorities of the several cities and incorporated towns of this state to execute certain trusts in relation to the town lands granted to the incorporated cities and towns in this state by the act of Congress entitled "An act for the relief of the inhabitants of cities and towns upon the public lands", approved March second, eighteen hundred and sixty-seven. (Approved March 24, 1868; Parker's Gen. Laws Cal., p. 443.)

(NOTE.—After providing for the survey, sale, etc., of such lands, it is provided that deeds shall issue to purchasers; and it is then in)

SECTION 9. * * * *Provided, further,* That whenever mining-claims shall have been located prior to the passage of this act, and when the same shall be prior in location to the claim of any occupant for other purposes, such mining-rights, according to the metes and bounds so located and claimed, shall not in any manner be affected by the provisions of this act; nor shall any sale be made nor any title be conveyed by reason of any sale or pretended sale of such lands so claimed for mining purposes until after the occupancy of such mining-claims shall have been abandoned by the holders thereof.

CIVIL CODE: 1872.

TITLE X, CHAP. IV.—MINING PARTNERSHIPS.

Sec.
2511. When a mining partnership exists.
2512. Express agreement not necessary to constitute.
2513. Profits and losses, how shared.
2514. Lien of partners.
2515. Mine—Partnership property.

Sec.
2516. Partnership not dissolved by sale of interest.
2517. Purchaser takes, subject to liens, unless, etc.
2518. Takes with notice of lien, when.
2519. Contract in writing, when binding.
2520. Owners of majority of shares govern.

SECTION 2511. A mining partnership exists when two or more persons who own or acquire a mining-claim for the purpose of working it and extracting the mineral therefrom actually engage in working the same.

SEC. 2512. An express agreement to become partners or to share the profits and losses of mining is not necessary to the formation or existence of a mining partnership. The relation arises from the ownership of shares or interests in the mine and working the same for the purpose of extracting the minerals therefrom.

SEC. 2513. A member of a mining partnership shares in the profits and losses thereof in the proportion which the interest or share he owns in the mine bears to the whole partnership capital or whole number of shares.

SEC. 2514. Each member of a mining partnership has a lien on the partnership property for the debts due the creditors thereof, and for money advanced by him for its use. This lien exists notwithstanding there is an agreement among the partners that it must not.

SEC. 2515. The mining ground owned and worked by partners in mining, whether purchased with partnership funds or not, is partnership property.

SEC. 2516. One of the partners in a mining partnership may convey his interest in the mine and business without dissolving the partnership. The purchaser, from the date of his purchase, becomes a member of the partnership.

SEC. 2517. A purchaser of an interest in the mining ground of a mining partnership takes it subject to the

liens existing in favor of the partners for debts due all creditors thereof, or advances made for the benefit of the partnership, unless he purchased in good faith, for a valuable consideration, without notice of such lien.

SEC. 2518. A purchaser of the interest of a partner in a mine, when the partnership is engaged in working it, takes with notice of all liens resulting from the relation of the partners to each other and to the creditors of the partnership.

SEC. 2519. No member of a mining partnership or other agent or manager thereof can, by a contract in writing, bind the partnership, except by express authority derived from the members thereof.

SEC. 2520. The decision of the members owning a majority of the shares or interests in a mining partnership binds it in the conduct of its business.

PART IV.—CORPORATIONS.

TITLE I.—GENERAL PROVISIONS APPLICABLE TO ALL CORPORATIONS.

CHAP. I.—Formation of corporations.

CHAP. II.—Corporate stock.

CHAP. III.—Corporate powers.

CHAP. IV.—Extension and dissolution of corporations.

CHAP. I.—FORMATION OF CORPORATIONS.

ART. I. Corporations defined and how organized.

ART. II. By-laws, directors, elections, and meetings.

ART. I.—Corporations defined and how organized.

Sec.	Sec.
283. Corporations defined.	293. Prerequisite to filing articles. Amounts to be subscribed to be fixed.
284. What are public and private corporations.	294. Prerequisite to filing articles of corporations for profit.
285. Corporations, how formed.	295. Oath of officer to subscription of stock and payment of ten per cent.
286. For what purpose private corporations are formed.	296. To file articles with county clerk and secretary of state, and receive certificate. Term of existence.
287. How corporations may continue their existence under this code.	297. Certified copy of certificate to be <i>prima-facie</i> evidence of its contents.
288. Existing corporations not affected.	298. Who are members and who stockholders of a corporation.
289. Name of instrument creating corporation.	299. When member dies successor to be elected.
290. Articles of incorporation, what to contain.	
291. Certain corporations to state further facts in articles.	
292. Five corporators, three to be citizens of the state, to sign articles and acknowledge the same.	

SECTION 283. A corporation is a creature of the law, having certain powers and duties of a natural person. Being created by the law, it may continue for any length of time which the law prescribes.

SEC. 284. Corporations are either public or private. Public corporations are formed or organized for the government of a portion of the state; private corporations are formed for the purpose of religion, benevolence, education, art, literature, or profit.

SEC. 285. Private corporations may be formed by the voluntary association of any five or more persons for the purposes and in the manner prescribed in this article. A majority of such persons shall be citizens of this state. Married women may become corporators, officers, and members of religious, benevolent, art, literary, or educational corporations.

SEC. 286. The purposes for which private corporations may be formed are the following, and none other:

1. Fire, marine, life, health, accident insurance;
2. The insurance of the lives of domestic animals;
3. Construction, conduct, and maintenance of railroads, and telegraph lines in connection therewith;
4. Construction, conduct, and maintenance of street railroads, plank roads, turnpikes, common wagon roads;
5. Construction, conduct, and maintenance of bridges, ferries, wharves, chutes, piers;
6. The establishment, conduct, and maintenance of express or stage lines;
7. Constructing, conducting, and maintaining telegraph lines;
8. Constructing and maintaining canals for navigation, and canals and ditches for drainage, agricultural, or mining purposes;
9. For navigating the ocean, or any of the waters of this state, with vessels propelled by sails, or in whole or in part by steam;
10. The purchase of lands for and the distribution of homesteads;
11. The accumulation of funds for the purchase of real property, and for the erection of buildings and improvements thereon, for the benefit of the members thereof;

12. Accumulating savings and loaning the funds of the members thereof;
13. Manufacturing, mining, mercantile, mechanical, wharfing, docking, or chemical purposes, or for engaging in any other species of trade, business, or commerce;
14. The transacting of a printing and publishing business;
15. To supply water to the public;
16. The manufacture and supply of gas, or the supply of light or heat to the public by any other means;
17. The establishment, conduct, and maintenance of hotels, laundries, or theaters;
18. For the formation, conduct, and maintenance of district and county agricultural fairs;
19. The encouragement of, or business of, agriculture, horticulture, or stock raising;
20. The improvement of the breed of domestic animals;
21. The support, conduct, and maintenance of colleges of learning, or for any literary or scientific object, or for the promotion of any of the sciences or fine arts;
22. Acquiring, preserving, and conducting public libraries;
23. The organization and conduct of chambers of commerce, boards of trade, and mechanic institutes;
24. The support, conduct, and maintenance of homes and schools for orphans and foundlings, or either of them, or any person otherwise destitute;
25. For the purposes of religion, sociability, charity, or learning;
26. The purchase of lands for and the maintenance of cemeteries;
27. For banks of discount and deposit.

SEC. 287. Any existing corporation formed under any law of this state, for any purpose designated in any subdivision of the preceding section, may, at a meeting of its members or stockholders, called for that purpose, continue its existence, under Title I of this part, or under the provisions of any subsequent title particularly applicable thereto, as follows:

1. Public notice of such meeting, and of its object, must be given by publishing the same in a daily newspaper for two weeks, or a weekly newspaper for four weeks, successively, published in the county where the principal place of business of the corporation is. In lieu of the publication, personal notice may be given to each member or stockholder thereof;

2. Two-thirds of the members, if there is no capital stock, and if there is a capital stock, then stockholders representing two-thirds of it, must vote in favor of such continuance;

3. A copy of the proceedings of this meeting, giving the names of all persons present, the votes taken, the notice calling the meeting, and the proof of its publication or service, all duly certified by the president and secretary of the corporation, must be filed in the offices of the secretary of state and clerk of the county where the articles of incorporation are on file. Thereafter such corporation is possessed of all the rights and powers, and subject to all the obligations, restrictions, and limitations, provided in this part applicable thereto, and its corporate existence is continued.

SEC. 288. No corporation formed or existing before twelve o'clock, noon, of the day upon which this code takes effect is affected by the provisions of Part IV of division first of this code, unless such corporation elects to continue its existence under it as provided in section 287; but the laws under which such corporations were formed and exist are applicable to all such corporations, and are repealed, subject to the provisions of this section.

SEC. 289. The instrument by which a private corporation is formed is called "articles of incorporation".

SEC. 290. Articles of incorporation must be prepared, setting forth:

1. The name of the corporation;
2. The purpose for which it is formed;
3. The place where its principal business is to be transacted;
4. The term for which it is to exist, not exceeding fifty years;
5. The number of its directors or trustees, and the names and residences of those who are appointed for the first year;
6. The amount of its capital stock and the number of shares into which it is divided;
7. If there is a capital stock, the amount actually subscribed, and by whom.

NOTE.—Section 290 was amended by the act approved April 16, 1880.

SEC. 291. The articles of incorporation of any railroad, wagon road, or telegraph organization must also state:

1. The kind of road or telegraph intended to be constructed;
2. The place from and to which it is intended to be run, and all the intermediate branches;
3. The estimated length of the road or telegraph line;
4. That at least ten per cent. of the capital stock subscribed has been paid in to the treasurer of the intended corporation.

SEC. 292. The articles of incorporation must be subscribed by five or more persons, three of whom must be citizens of this state, and acknowledged by each before some officer authorized to take and certify acknowledgments of grants of real property.

SEC. 293. Each intended corporation named in section 291, before filing articles of incorporation, must have actually subscribed to its capital stock, for each mile of the contemplated work, the following amounts, to wit:

1. One thousand dollars per mile of railroads;
2. One hundred dollars per mile of telegraph lines;
3. Three hundred dollars per mile of wagon roads.

SEC. 294. Before the articles of incorporation of any corporation referred to in the preceding section are filed, there must be paid for the benefit of the corporation, to a treasurer elected by the subscribers, ten per cent. of the amount subscribed.

SEC. 295. Before the secretary of state issues to any such corporation a certificate of the filing of articles of incorporation, there must be filed in his office an affidavit of the president, secretary, or treasurer named in the articles that the required amount of the capital stock thereof has been actually subscribed, and ten per cent. thereof actually paid to a treasurer for the benefit of the corporation.

SEC. 296. Upon the filing of the articles of incorporation in the office of the county clerk of the county in which the business of the company is to be transacted, and a copy thereof with the secretary of state, the secretary of state must issue to the corporation, over the great seal of the state, a certificate that such articles, containing the required statement of facts, have been filed in his office; and thereafter the persons signing the same, and their associates and assigns, are a body politic and corporate, by the name stated in the certificate, and for the term of fifty years, unless it is in the articles of incorporation otherwise stated, or in this part otherwise specially provided.

SEC. 297. A copy of any articles of incorporation filed in pursuance of this chapter, and certified by the secretary of state, must be received in all the courts and other places as primary evidence of the facts therein stated.

SEC. 298. The owners of shares in a corporation which has a capital stock are called stockholders. If a corporation has no capital stock, the incorporators and their successors are called members.

SEC. 299. If a member of a corporation dies, resigns, or is removed, a majority of the remaining members may elect another in his place.

NOTE.—Section 299 was amended by the act approved April 23, 1880.

ART. II.—By-laws, directors, elections, and meetings.

Sec.

301. Adoption of by-laws, when, how, and by whom.
302. Directors, election of, etc.
303. By-laws may provide for what.
304. By-laws, recorded, and how amended.
305. How many and who to be directors.
306. Corporations at first meeting to elect directors and adopt by-laws.
307. Elections, how conducted.
308. Organization of board of directors, etc.
309. Dividends to be made from surplus profits.
310. Removal from office of directors, etc.
311. Justice of the peace may order meeting, when.

Sec.

312. Majority of stock must be represented, and a majority vote together, otherwise it is fraudulent.
313. All stock may be represented in votes.
314. Election may be postponed.
315. Complaints and *quo warranto* and proceedings thereon regarding elections.
316. False certificate, report, or notice to make officers liable.
317. Meeting by consent to be valid.
318. Proceedings at meeting to be binding.
319. Meetings, where held.
320. When no provision in by-laws for regular meetings, special meetings, how called.

SECTION 301. Every corporation formed under this title must, at a meeting of its stockholders or members, to be held within one month after filing articles of incorporation, adopt a code of by-laws for its government not inconsistent with the constitution and laws of this state. Notice of such meeting, by order of the acting president, specifying its object, must be published two weeks in some newspaper published in the county where the meeting is to be held; or if none is published therein, then in a paper published in an adjoining county. In the adoption of the by-laws, each stockholder has as many votes as he holds shares of stock; if there is no capital stock, each member has one vote. A majority of all the subscribed capital stock, or of the members if there is no capital stock, is necessary to adopt the by-laws, or any one of them.

SEC. 302. The directors of a corporation must be elected annually by the stockholders or members, and if no provision is made in the by-laws for the time of election, the election must be held on the first Tuesday in June. Notice of such election must be given, and the right to vote determined, as prescribed in section 301.

SEC. 303. A corporation may, by its by-laws, where no other provision is specially made, provide:

1. The time, place, and manner of calling and conducting their meetings;
2. The number of stockholders or members or the quantity of stock constituting a quorum;
3. The number of shares which entitles the stockholders respectively to one or more votes;
4. The mode of voting by proxy;
5. The time and place of the annual election for directors, and the mode and manner of giving notice thereof;
6. The mode of selling shares for the non-payment of assessments or installments;
7. The compensation and duties of officers;
8. The tenure of office of subordinate officers; and,

9. Suitable penalties for violations of by-laws, not exceeding, in any case, one hundred dollars for any one offense.

SEC. 304. All by-laws adopted must be certified by the officers of the corporation, and filed and recorded in the recorder's office of the county where the principal place of business of the corporation is located. The by-laws thus adopted must not be altered or amended, except at a special meeting of the stockholders or members, to be called by the directors for that purpose, specifying in the order the proposed amendments, and a two-thirds vote of all the subscribed capital stock or of the members is necessary to adopt the same. And the amendments thus adopted must be certified and recorded in the same manner as the original by-laws.

SEC. 305. The corporate powers, business, and property of all corporations formed under this title must be exercised, conducted, and controlled by a board of not less than five nor more than eleven directors, to be elected from among the holders of stock; or where there is no capital stock, then from the members of such corporation. A majority of the directors must be citizens of this state. Directors of corporations for profit must be holders of stock therein in an amount to be fixed by the by-laws of the corporation. Directors of all other corporations must be members thereof. Unless a quorum is present and acting, no business performed or act done is valid as against the corporation. Whenever a vacancy occurs in the office of director, unless the by-laws of the corporation otherwise provide, such vacancy must be filled by an appointee of the board.

SEC. 306. At the first meeting called, as soon as the by-laws are adopted, unless it is provided that the officers named in the articles of incorporation shall continue until a certain other date, directors must be elected, a majority of the subscribed capital stock or of the members being necessary to a choice.

SEC. 307. All elections must be by ballot, and, unless otherwise prescribed by the by-laws, a majority of the subscribed capital stock or of the members is necessary to a choice.

SEC. 308. Immediately after their election, the directors must organize by the election of a president, who must be one of their number, a secretary, and treasurer. They must perform the duties enjoined on them by law and the by-laws of the corporation. A majority of the directors is a sufficient number to form a board for the transaction of business, and every decision of a majority of the directors forming such board, made when duly assembled, is valid as a corporate act.

SEC. 309. The directors of corporations must not make dividends, except from the surplus profits arising from the business thereof; nor must they divide, withdraw, or pay to the stockholders, or any of them, any part of the capital stock; nor must they create debts beyond their subscribed capital stock, or reduce or increase the capital stock, except as hereinafter specially provided. For a violation of the provisions of this 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; and no statute of limitations is a bar to any suit against such directors for any sums for which they are made liable by this section. There may, however, be a division and distribution of the capital stock of any corporation which remains after the payment of all its debts, upon its dissolution or the expiration of its term of existence.

SEC. 310. No director shall be removed from office, unless by a vote of two-thirds of the members, or of stockholders holding two-thirds of the capital stock, at a general meeting held after previous notice of the time and place, and of the intention to propose such removal. Meetings of stockholders for this purpose may be called by the president, or by a majority of the directors, or by members or stockholders holding at least one-half of the votes. Such calls must be in writing and addressed to the secretary, who must thereupon give notice of the time, place, and object of the meeting, and by whose order it is called. If the secretary refuse to give the notice, or if there is none, the call may be addressed directly to the members or stockholders, and be served as a notice, in which case it must specify the time and place of meeting. The notice must be given in the manner provided in section 301 of this title, unless other express provision has been made therefor in the by-laws. In case of removal, the vacancy may be filled by election at the same meeting.

SEC. 311. Whenever, from any cause, there is no person authorized to call or to preside at a meeting of a corporation, any justice of the peace of the county where such corporation is established may, on written application of three or more of the stockholders or of the members thereof, issue a warrant to one of the stockholders or members, directing him to call a meeting of the corporation, by giving the notice required, and the justice may in the same warrant direct such person to preside at such meeting until a clerk is chosen and qualified, if there is no other officer present legally authorized to preside thereat.

SEC. 312. At all elections or votes had for any purpose there must be a majority of the subscribed capital stock or of the members represented, either in person or by proxy in writing. Every person acting therein, in person or by proxy or representative, must be a member thereof or a *bona fide* stockholder, having stock in his own name on the stock-books of the corporation, at least ten days prior to the election. Any vote or election had other than in accordance with the provisions of this article is voidable at the instance of absent stockholders or members, and

may be set aside by petition to the district court of the county where the same was held. Any regular or called meeting of the stockholders or members may adjourn from day to day, or from time to time, if for any reason there is not present a majority of the subscribed stock or members, or no election or majority vote had, such adjournment and the reasons thereof being recorded in the journal of proceedings of the board of directors.

SEC. 313. The shares of stock of an estate of a minor, insane, or deceased person may be represented at all elections and meetings of the corporation by the legal representative of the person holding the same.

SEC. 314. If from any cause an election does not take place on the day appointed in the by-laws, it may be held on any day thereafter as is provided for in such by-laws, or to which such election may be adjourned or ordered by the directors. If an election has not been held at the appointed time, and no adjourned or other meeting for the purpose has been ordered by the directors, a meeting may be called by the stockholders, as provided in section 310 of this article.

SEC. 315. Upon the application of any person or body corporate aggrieved by any election held by any corporate body, or any proceedings thereof, the district judge of the district in which such election is held must proceed forthwith summarily to hear the allegations and proofs of the parties, or otherwise inquire into the matters of complaint, and thereupon confirm the election, order a new one, or direct such other relief in the premises as accords with right and justice. Before any proceedings are had under this section, five days' notice thereof must be given to the adverse party or those to be affected thereby.

SEC. 316. Any officer of a corporation who makes or gives a certificate, official report, public notice, or entry in any of the records or books of the corporation concerning the corporation or its business, which is false in any material representation, and who knew or had full opportunity to know the same to be false, is liable for all the debts of the corporation contracted while he was a stockholder or officer thereof; and if more than one violate the provisions of this section in concert, they are jointly and severally liable.

SEC. 317. When all the stockholders or members of a corporation are present at any meeting, however called or notified, and sign a written consent thereto on the record of such meeting, the doings of such meeting are as valid as if had at a meeting legally called and noticed.

SEC. 318. The stockholders or members of such corporation, when so assembled, may elect officers to fill all vacancies then existing, and may act upon such other business as might lawfully be transacted at regular meetings of the corporation.

SEC. 319. The meetings of the stockholders and board of directors of a corporation must be held at its office or principal place of business.

SEC. 320. When no provision is made in the by-laws for regular meetings of the directors and the mode of calling special meetings, all meetings must be called by special notice in writing, to be given to each director by the secretary, on the order of the president, or if there be none, on the order of two directors.

CHAP. II.—CORPORATE STOCK.

ART. I.—Stock and stockholders.

ART. II.—Assessments of stock.

ART. I.—*Stock and stockholders.*

Sec.
322. Liabilities of stockholders. They may be released, when.
323. Certificates, how and when issued.
324. Transfer of shares.

Sec.
325. Transfer of shares held by married women, etc. Dividends payable to married women.
326. Non-resident stockholders. Bonds.

SECTION 322. Each stockholder or member of any corporation is severally, individually, and personally liable for such proportion of all its debts and liabilities as the amount of stock or shares owned by him in such corporation bears to the whole of the subscribed capital stock or shares of the corporation, for the recovery of which joint or several actions may be instituted and prosecuted; and in any such action against any of the stockholders or members of a corporation the court must ascertain and determine the proportion of the debt which is the subject of the suit for which each of the stockholders or members who are defendants in the action are severally liable, and judgment must be given severally in conformity therewith. If any stockholder or member of a corporation pays his proportion of any debt due by such corporation he is released and discharged from any further individual or personal liability for such debt. Stock held as collateral security, or by a trustee, or in any other representative capacity, does not make the holder thereof a stockholder, but the pledgor or person or estate represented is the stockholder.

SEC. 323. All corporations for profit must issue certificates for stock when fully paid up, signed by the president and secretary, and may provide, in their by-laws, for issuing certificates prior to the full payment under such restrictions and for such purposes as their by-laws may provide.

SEC. 324. Whenever the capital stock of any corporation is divided into shares, and certificates therefor are

issued, such shares of stock are personal property, and may be transferred by indorsement by the signature of the proprietor, or his attorney or legal representative, and delivery of the certificate; but such transfer is not valid, except between the parties thereto, until the same is so entered upon the books of the corporation as to show the names of the parties by and to whom transferred, the number or designation of the shares, and the date of the transfer.

SEC. 325. Shares of stock in corporations held or owned by a married woman may be transferred by her, her agent, or attorney, without the signature of her husband, in the same manner as if such married woman were a *femme sole*. All dividends payable upon any shares of stock of a corporation held by a married woman may be paid to such married woman, her agent, or attorney, in the same manner as if she were unmarried, and it is not necessary for her husband to join in a receipt therefor; and any proxy or power given by a married woman, touching any shares of stock of any corporation owned by her, is valid and binding without the signature of her husband, the same as if she were unmarried.

SEC. 326. In all transfers of shares of stock in corporations, on behalf of owners residing out of the state, the president, secretary, or directors of such corporation, before entering such transfer on the books of the corporation or issuing the certificate therefor to the transferee, must require from such attorney, or from the person claiming under such transfer, a bond of indemnity, with two sureties satisfactory to the officers of the corporation, or if not so satisfactory, then approved by the district judge of the district in which the principal office of the corporation is situated, conditioned to protect such corporation against any liability to the legal representatives of the owner of such stock in case of his or her death before such transfer; and in case of refusal to furnish such bonds upon request, such transfer is utterly void as against the corporation.

ART. II.—Assessments of stock.

Sec.

- 331. Directors may levy assessments.
- 332. Limitation. How levied.
- 333. Levy of assessment. Old assessment remaining unpaid.
- 334. What order shall contain.
- 335. Notice of assessment. Form.
- 336. Publication and service.
- 337. Delinquent notice. Form.
- 338. Contents of notice.
- 339. How published.
- 340. Jurisdiction acquired, how.

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- 341. Sale to be by public auction.
- 342. Highest bidder to be the purchaser.
- 343. In default of bidders corporation may purchase.
- 344. Disposition of stock purchased by corporation.
- 345. Extension of time of delinquent sale.
- 346. Assessments shall not be invalidated.
- 347. Action for recovery of stock, and limitation thereof.
- 348. Affidavits of publication. Affidavits of sale. To be filed.
- 349. Waiver of sale. Action to recover assessment.

SECTION 331. The directors of any corporation formed under the laws of this state, for the purpose of paying expenses, conducting business, or paying debts, may levy and collect assessments upon the capital stock thereof, in the manner and form and to the extent provided herein.

SEC. 332. No one assessment must exceed ten per cent. of the amount of the capital stock named in the articles of incorporation, except in the cases in this section otherwise provided for as follows:

1. If the whole capital of a corporation has not been paid up, and the corporation is unable to meet its liabilities or to satisfy the claims of its creditors, the assessment may be for the full amount unpaid upon the capital stock; or if a less amount is sufficient, then it may be for such a percentage as will raise that amount.

2. The directors of railroad corporations may assess the capital stock in installments of not more than ten per cent. per month, unless in the articles of incorporation it is otherwise provided.

3. The directors of fire or marine insurance corporations may assess such a percentage of the capital stock as they deem proper.

SEC. 333. No assessment must be levied while any portion of a previous one remains unpaid, unless:

1. The power of the corporation has been exercised in accordance with the provisions of this article for the purpose of collecting such previous assessment;

2. The collection of the previous assessment has been enjoined; or,

3. The assessment falls within the provisions of either the first, second, or third subdivision of section 332.

SEC. 334. Every order levying an assessment must specify the amount thereof, when, to whom, and where payable; fix a day, subsequent to the full term of publication of the assessment notice, on which the unpaid assessments shall be delinquent, not less than thirty nor more than sixty days from the time of making the order levying the assessment; and a day for the sale of delinquent stock, not less than fifteen nor more than sixty days from the day the stock is declared delinquent.

SEC. 335. Upon the making of the order, the secretary shall cause to be published a notice thereof, in the following form:

[Name of corporation in full. Location of principal place of business.]

NOTICE is hereby given, that at a meeting of the directors, held on the [date], an assessment of [amount] per share was levied upon the capital stock of the corporation, payable [when, to whom, and where]. Any stock

upon which this assessment shall remain unpaid on the [day fixed] will be delinquent and advertised for sale at public auction, and, unless payment is made before, will be sold on the [day appointed], to pay the delinquent assessment, together with costs of advertising and expenses of sale.

[Signature of secretary, with location of office.]

SEC. 336. The notice must be published once each week for four successive weeks, in some daily or weekly paper published at the place designated in the articles of incorporation as the principal place of business, and also in some paper published in the county in which the works of the corporation are situated, if a paper is published therein. If the works of the corporation are not situated within some state or territory of the United States, then publication in a paper of the place where situated is not necessary. If there is no newspaper published at the place designated as the principal place of business of the corporation, then the publication must be made in the newspaper published in an adjoining county. The notice may be served by delivering a copy thereof, certified by the secretary, to each stockholder personally; and in case of such service upon all the stockholders of the corporation, no notice by publication is necessary, but such personal notice is sufficient.

SEC. 337. If any portion of the assessment mentioned in the notice remains unpaid on the day specified therein for declaring the stock delinquent, the secretary must, unless otherwise ordered by the board of directors, cause to be published in the same papers in which the notice hereinbefore provided for shall have been published, a notice substantially in the following form:

[Name in full. Location of principal place of business.]

NOTICE.—There is delinquent upon the following described stock, on account of assessment levied on the [date] (and assessments levied previous thereto, if any), the several amounts set opposite the names of the respective shareholders, as follows: [Names, number of certificate, number of shares, amount.] And in accordance with law (and an order of the board of directors, made on the [date], if any such order shall have been made), so many shares of each parcel of such stock as may be necessary will be sold, at the [particular place], on the [date], at [the hour] of such day, to pay delinquent assessments thereon, together with costs of advertising and expenses of the sale.

[Name of secretary, with location of office.]

SEC. 338. The notice must specify every certificate of stock, the number of shares it represents, and the amount due thereon, except where certificates may not have been issued to parties entitled thereto, in which case the number of shares and amount due thereon, together with the fact that the certificates for such shares have not been issued, must be stated.

SEC. 339. The notice, when published in a daily paper, must be published for ten days, excluding Sundays and holidays, previous to the day of sale. When published in a weekly paper, it must be published in each issue for two weeks previous to the day of sale. The first publication of all delinquent sales must be at least fifteen days prior to the day of sale.

SEC. 340. By the publication of the notice, the corporation acquires jurisdiction to sell and convey a perfect title to all of the stock described in the notice of sale upon which any portion of the assessment or costs of advertising remains unpaid at the hour appointed for the sale, but must sell no more of such stock than is necessary to pay the assessments due and costs of sale.

SEC. 341. On the day, at the place, and at the time appointed in the notice of sale, the secretary must, unless otherwise ordered by the directors, sell or cause to be sold at public auction, to the highest bidder for cash, so many shares of each parcel of the described stock as may be necessary to pay the assessment and charges thereon, according to the terms of sale; if payment is made before the time fixed for sale, the party paying is only required to pay the actual costs of advertising in addition to the assessment.

SEC. 342. The person offering at such sale to pay the assessment and costs for the smallest number of shares or fraction of a share is the highest bidder, and the stock purchased must be transferred to him on the stock-books of the corporation, on payment of the assessment and costs.

SEC. 343. If, at the sale of stock, no bidder offers the amount of the assessments and costs and charges due, the same may be bid in and purchased by the corporation, through the secretary, president, or any director thereof, at the amount of the assessments, costs, and charges due; and the amount of the assessments, costs, and charges must be credited as paid in full on the books of the corporation, and entry of the transfer of the stock to the corporation must be made on the books thereof. While the stock remains the property of the corporation it is not assessable, nor must any dividends be declared thereon; but all assessments and dividends must be apportioned upon the stock held by the stockholders of the corporation.

SEC. 344. All purchases of its own stock made by any corporation vest the legal title to the same in the corporation; and the stock so purchased is held subject to the control of the stockholders, who may make such disposition of the same as they deem fit, in accordance with the by-laws of the corporation or vote of a majority of all the remaining shares. Whenever any portion of the capital stock of a corporation is held by the corporation by purchase, a majority of the remaining shares is a majority of the stock for all purposes of election or voting on any question at a stockholders' meeting.

SEC. 345. The date fixed in any notice of assessment or notice of delinquent sale, published according to the

provisions hereof, may be extended from time to time for not more than thirty days, by order of the directors entered on the records of the corporation; but no order extending the time for the performance of any act specified in any notice is effectual unless notice of such extension or postponement is appended to and published with the notice to which the order relates.

SEC. 346. No assessment is invalidated by a failure to make publication of the notices hereinbefore provided for, nor by the non-performance of any act required in order to enforce the payment of the same; but in case of any substantial error or omission in the course of proceedings for collection, all previous proceedings, except the levying of the assessment, are void, and publication must be begun anew.

SEC. 347. No action must be sustained to recover stock sold for delinquent assessments, upon the ground of irregularity in the assessment, irregularity or defect of the notice of sale, or defect or irregularity in the sale, unless the party seeking to maintain such action first pays or tenders to the corporation, or the party holding the stock sold, the sum for which the same was sold, together with all subsequent assessments which may have been paid thereon and interest on such sums from the time they were paid; and no such action must be sustained unless the same is commenced by the filing of a complaint and the issuing of a summons thereon within six months after such sale was made.

SEC. 348. The publication of notices required by this article may be proved by the affidavit of the printer, foreman, or principal clerk of the paper in which the same was published; and the affidavit of the secretary or auctioneer is primary evidence of the time and place of sale, of the quantity and particular description of the stock sold, and to whom and for what price; and of the fact of the purchase money being paid. The affidavits must be filed in the office of the corporation, and copies of the same, certified by the secretary thereof, are primary evidence of the facts therein stated. Certificates signed by the secretary and under the seal of the corporation are primary evidence of the contents thereof.

SEC. 349. On the day specified for declaring the stock delinquent, or at any time subsequent thereto and before the sale of the delinquent stock, the board of directors may elect to waive further proceedings under this chapter for the collection of delinquent assessments, or any part or portion thereof, and may elect to proceed by action to recover the amount of the assessment and the costs and expenses already incurred, or any part or portion thereof.

CHAP. III.—CORPORATE POWERS.

ART. I.—General powers.

ART. II.—Records.

ART. III.—Examination of corporation.

ART. IV.—Judgment against and sale of corporate property.

ART. I.—General powers.

Sec.

354. Powers of corporation.

355. Limitation of powers.

356. Banking expressly prohibited.

357. Misnomer does not invalidate instrument.

Sec.

358. Corporation to organize within one year.

359. Increasing and diminishing capital stock, how.

360. Corporations may acquire real property, and how much.

SECTION 354. Every corporation, as such, has power:

1. Of succession, by its corporate name, for the period limited; and when no period is limited, perpetually;
2. To sue and be sued, in any court;
3. To make and use a common seal, and alter the same at pleasure;
4. To purchase, hold, and convey such real and personal estate as the purposes of the corporation may require, not exceeding the amount limited in this part;
5. To appoint such subordinate officers or agents as the business of the corporation may require, and to allow them suitable compensation;
6. To make by-laws, not inconsistent with any existing law, for the management of its property, the regulation of its affairs, and for the transfer of its stock;
7. To admit stockholders or members, and to sell their stock or shares for the payment of assessments or installments;
8. To enter into any obligations or contracts essential to the transaction of its ordinary affairs, or for the purposes of the corporation.

SEC. 355. In addition to the powers enumerated in the preceding section, and to those expressly given in that title of this part under which it is incorporated, no corporation shall possess or exercise any corporate powers except such as are necessary to the exercise of the powers so enumerated and given.

SEC. 356. Nor corporation shall create or issue bills, notes, or other evidences of debt, upon loans or otherwise, for circulation as money.

SEC. 357. The misnomer of a corporation in any written instrument does not invalidate the instrument, if it can be reasonably ascertained from it what corporation is intended.

SEC. 358. If a corporation does not organize and commence the transaction of its business or the construction of its works within one year from the date of its incorporation, its corporate powers cease. The due incorporation of any company, claiming in good faith to be a corporation under this part, and doing business as such, or its right to exercise corporate powers, shall not be inquired into, collaterally, in any private suit to which such *de facto* corporation may be a party; but such inquiry may be had at the suit of the state on information of the attorney-general.

SEC. 359. Every corporation may increase or diminish its capital stock as in this section provided:

1. By a majority vote of the directors there may be called a meeting of the stockholders, to be convened for the purpose of increasing or of diminishing the capital stock.
2. Personal notice of the time and place of such meeting, and the object thereof, must be served on each stockholder resident in this state; or, in lieu thereof, the notice must be published in every issue of a newspaper published in the county where the principal place of business is located, for four weeks successively.
3. The notice must also contain the amount to which it is proposed to increase or diminish the capital stock.
4. The capital stock must in no case be diminished to an amount less than the indebtedness of the corporation or the estimated cost of the works which it may be the object or purpose of the corporation to construct.
5. At least four-fifths of all the capital stock must be represented at such meeting, and at least two-thirds of the entire capital stock must vote in favor of such increase or diminution before the same is effected.
6. A certificate, signed and verified by the chairman and secretary of the meeting, must be made, showing a strict compliance with all the requirements of this section, the amount to which the capital stock has been increased or diminished, the amount of stock (and by whom held) represented at the meeting, the vote by which the object was accomplished, the amount of capital stock actually paid in, and the amount of all debts and liabilities of the corporation, and how secured.
7. This certificate must be subscribed by a majority of the directors and duplicates made, one to be filed in the office of the county clerk and one in the office of the secretary of state, as provided for original articles of incorporation, and thereupon the capital stock is so increased or diminished.

SEC. 360. No corporation shall acquire or hold any more real estate than may be absolutely necessary for the use of the business conducted or the construction of their works, except as specially provided. A corporation organized for any purpose specified in subdivisions 3, 4, 5, 7, 8, and 15 of section 286 may acquire real property as provided in Title VII, Part III, Code of Civil Procedure, when needed for the uses and purposes therein mentioned.

ART. II.—Records.

Sec.
377. Records, of what, and how kept.

|| Sec.
378. Other records to be kept by corporations for profit, and others.

SECTION 377. All corporations for profit are required to keep a record of all their business transactions; a journal of all meetings of their directors, members, or stockholders, with the time and place of holding the same, whether regular or special, and if special, its object, how authorized, and the notice thereof given. The record must embrace every act done or ordered to be done; who were present, and who absent; and, if requested by any director, member, or stockholder, the time shall be noted when he entered the meeting or obtained leave of absence therefrom. On a similar request, the ayes and noes must be taken on any proposition, and a record thereof made. On similar request, the protest of any director, member, or stockholder to any action or proposed action must be entered in full; all such records to be open to the inspection of any director, member, stockholder, or creditor of the corporation.

SEC. 378. In addition to the records required to be kept by the preceding section, corporations for profit must keep a book, to be known as the "stock and transfer book", in which must be kept a record of all stock; the names of the stockholders or members, alphabetically arranged; installments paid or unpaid; assessments levied and paid or unpaid; a statement of every alienation, sale, or transfer of stock made, the date thereof, and by and to whom; and all such other records as the by-laws prescribe. Corporations for religious and benevolent purposes must provide in their by-laws for such records to be kept as may be necessary. Such stock and transfer book must be kept open to the inspection of any stockholder, member, or creditor.

ART. III.—Examination of corporations, etc.

Sec.
382. Examination into affairs of corporation, how made by officers
of state.

|| Sec.
383. Examination made by the legislature.
384. Chapter and article may be repealed.

SECTION 382. The attorney-general or district attorney, whenever and as often as required by the governor, must examine into the affairs and condition of any corporation in this state, and report such examination, in writing, together with a detailed statement of facts, to the governor, who must lay the same before the legislature; and for that purpose the attorney-general or district attorney may administer all necessary oaths to the directors and officers

of any corporation, and may examine them on oath in relation to the affairs and condition thereof, and may examine the books, papers, and documents belonging to such corporation, or appertaining to its affairs and condition.

SEC. 383. The legislature, or either branch thereof, may examine into the affairs and condition of any corporation in this state at all times; and, for that purpose, any committee appointed by the legislature, or either branch thereof, may administer all necessary oaths to the directors, officers, and stockholders of such corporation, and may examine them on oath in relation to the affairs and condition thereof; and may examine the safes, books, papers, and documents belonging to such corporation, or pertaining to its affairs and condition, and compel the production of all keys, books, papers, and documents by summary process, to be issued on application to any court of record or any judge thereof, under such rules and regulations as the court may prescribe.

SEC. 384. The legislature may at any time amend or repeal this part, or any title, chapter, article, or section thereof, and dissolve all corporations created thereunder; but such amendment or repeal does not, nor does the dissolution of any such corporation, take away or impair any remedy given against any such corporation, its stockholders or officers, for any liability which has been previously incurred.

ART. IV.—*Judgment against and sale of corporate property.*

<p>Sec. 388. Franchise may be treated as property and sold under execution. 389. Purchaser to transact business of corporation. 390. Purchaser may recover penalties, etc.</p>	<p>Sec. 391. Corporation to retain powers after sale. 392. Redemption of franchise. 393. When proceedings under execution may be held.</p>
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SECTION 388. For the satisfaction of any judgment against a corporation organized for profit, its franchise and all the rights and privileges thereof may be levied upon and sold under execution, in the same manner and with like effect as any other property.

SEC. 389. The purchaser at the sale must receive a certificate of purchase of the franchise, and be immediately let into the possession of all property necessary for the exercise of the powers and the receipt of the proceeds thereof, and must thereafter conduct the business of such corporation, with all its powers and privileges, and subject to all its liabilities, until the redemption of the same, as hereinafter provided.

SEC. 390. The purchaser or his assignee is entitled to recover any penalties imposed by law and recoverable by the corporation for an injury to the franchise or property thereof, or for any damages or other cause, occurring during the time he holds the same, and may use the name of the corporation for the purpose of any action necessary to recover the same. A recovery for damages or any penalties thus had is a bar to any subsequent action by or on behalf of the corporation for the same.

SEC. 391. The corporation whose franchise is sold, as in this article provided, in all other respects retains the same powers, is bound to the discharge of the same duties, and is liable to the same penalties and forfeitures as before such sale.

SEC. 392. The corporation may, at any time within one year after such sale, redeem the franchise by paying or tendering to the purchaser thereof the sum paid therefor, with ten per cent. interest thereon, but without any allowance for the toll which he may in the mean time have received; and upon such payment or tender the franchise and all the rights and privileges thereof revert and belong to the corporation, as if no such sale had been made.

SEC. 393. The levy and sale of any franchise under execution may be had in any county in which the president or any director, the treasurer, or the secretary of the corporation may reside, or in which the corporation has its principal place of business.

CHAP. IV.—EXTENSION AND DISSOLUTION OF CORPORATIONS.

<p>Sec. 399. Proceedings to disincorporate. 400. On dissolution, directors to be trustees for creditors. 401. Any corporation may extend its corporate existence, how.</p>	<p>Sec. 402. How corporations may continue their existence. 403. Title I to apply to all corporations, with certain exceptions.</p>
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SECTION 399. The dissolution of corporations is provided for:

1. If involuntary, in Chapter V of Title X, Part II, of the Code of Civil Procedure;
2. If voluntary, in Title VI, Part III, of the Code of Civil Procedure.

SEC. 400. Unless other persons are appointed by the court, the directors or managers of the affairs of such corporation at the time of its dissolution are trustees of the creditors and stockholders or members of the corporation dissolved, and have full power to settle the affairs of the corporation.

SEC. 401. Every corporation heretofore formed, for any purpose enumerated in this title for which corporations may be formed, for a period of time less than fifty years, may, at any time prior to the expiration of the term of its corporate existence, extend such term to a period not exceeding fifty years from its formation. Such extension must be made at a meeting of the stockholders or members, after such order of the directors and notice thereof,

with such amount of capital stock or number of members represented, and such affirmative vote thereof, as required herein for the increase or diminution of the capital stock, and filing a certificate thereof in the same offices where their articles of incorporation are filed.

SEC. 402. All corporations may continue their existence for an additional period, not exceeding fifty years, by filing a certificate verified by the affidavit of the president and secretary, setting forth that, at a meeting of four-fifths of the members or stock, and on a two-thirds vote thereof, it was determined to continue such corporation for such additional length of time; the meeting of the stockholders or members to be had after notice thereof, published for four weeks in some newspaper in the county where the principal office of the corporation is located, giving the time and place of meeting; or, in lieu thereof, personal notice of such time and place of meeting may be served on all stockholders or members resident in this state—the notice to specify the object of the meeting and the length of time for which it is proposed to continue the corporation.

SEC. 403. The provisions of this title are applicable to every corporation, unless such corporation is excepted from its operation, or unless a special provision is made in relation thereto inconsistent with some provision in this title, in which case the special provision prevails.

AN ACT in relation to foreign corporations. (Approved April 1, 1872; Civil Code, p. 91.)

SECTION 1. Every corporation heretofore created by the laws of any other state and doing business in this state shall, within one hundred and twenty days after the passage of this act, and any corporation hereafter created and doing business in this state, within sixty days from the time of commencing to do business in this state, designate some person residing in the county in which the principal place of business of said corporation in this state is, upon whom process issued by authority of or under any law of this state may be served, and within the time aforesaid shall file such designation in the office of the secretary of state; and a copy of such designation, duly certified by said officer, shall be evidence of such appointment; and it shall be lawful to serve on such person so designated any process issued as aforesaid. Such service shall be made on such person in such manner as shall be prescribed in case of service required to be made on foreign corporations, and such service shall be deemed to be a valid service thereof.

SEC. 2. Every corporation created by the laws of any other state which shall fail to comply with the provisions of the first section of this statute shall be denied the benefit of the statutes of this state limiting the time for the commencement of civil actions.

SEC. 3. Every corporation created by the laws of any other state which shall comply with the provisions of the first section of this statute shall be entitled to the benefit of the statutes of this state limiting the time for the commencement of civil actions.

TITLE XI.—MINING CORPORATIONS.

Sec.
584. Removal of the principal office provided for.
585. Directors to file certificates of proceedings in offices of county clerks and secretary of state.

Sec.
586. Transfer agencies.
587. Stock issued at transfer agencies.

SECTION 584. Every mining corporation may change its principal place of business from one county or city to another, within this state. Before such removal is made the consent in writing of the holders of two-thirds of the capital stock must be obtained and filed in the office of the corporation. When such consent is obtained, notice of the intended removal must be published for thirty days in some newspaper published at the principal place of business of the corporation, giving the name of the county or city where it is then situated, and that to which it is intended to remove it.

SEC. 585. When the publication provided for in the preceding section has been completed, the directors of the corporation must file in the offices of the clerks of the counties from and to which such change has been made, and in the office of the secretary of state, certified copies of the written consent of the stockholders to such change, and of the notice of such change, and proof of publication; also, a certificate that the proposed removal has taken place; and thereafter the principal place of business of the corporation is at the place to which it is removed.

SEC. 586. Any corporation organized in this state for the purpose of mining or carrying on mining operations in or without this state, may establish and maintain agencies in other states of the United States for the transfer and issuing of their stock; and a transfer or issue of the same at any such transfer agency, in accordance with the provisions of its by-laws, is valid and binding as fully and effectually for all purposes as if made upon the books of such corporation at its principal office within this state. The agencies must be governed by the by-laws and the directors of the corporation.

SEC. 587. All stock of any such corporation, issued at a transfer agency, must be signed by the president and secretary of the corporation, and countersigned at the time of its issue by the agent having charge of the transfer agency. No stock must be issued at a transfer agency unless the certificate of stock, in lieu of which the same is issued, is at the time surrendered for cancellation.

NOTE.—Stats. 1871-'72, p. 413:

AN ACT for the protection of miners. (Approved March 16, 1872; Civil Code, p. 139.)

SECTION 1. It shall not be lawful for any corporation, association, owner, or owners of any quartz-mining claims within the state of California, where such corporation, association, owner, or owners employ twelve men daily, to sink down into such mine or mines any perpendicular shaft or incline beyond a depth from the surface of three hundred feet without providing a second mode of egress from such mine, by shaft or tunnel, to connect with the main shaft at a depth of not less than one hundred feet from the surface.

SEC. 2. It shall be the duty of each corporation, association, owner, or owners of any quartz-mine or mines in this state, where it becomes necessary to work such mines beyond the depth of three hundred feet, and where the number of men employed therein daily shall be twelve or more, to proceed to sink another shaft or construct a tunnel so as to connect with the main working shaft of such mine as a mode of escape from underground accident or otherwise. And all corporations, associations, owner, or owners of mines as aforesaid, working at a greater depth than three hundred feet, not having any other mode of egress than from the main shaft, shall proceed as herein provided.

SEC. 3. When any corporation, association, owner, or owners of any quartz-mine in this state shall fail to provide for the proper egress as herein contemplated, and where any accident shall occur, or any miner working therein shall be hurt or injured, and from such injury might have escaped if the second mode of egress had existed, such corporation, association, owner, or owners of the mine where the injuries shall have occurred shall be liable to the person injured in all damages that may accrue by reason thereof; and an action at law in a court of competent jurisdiction may be maintained against the owner or owners of such mine, which owners shall be jointly or severally liable for such damages. And where death shall ensue from injuries received from any negligence on the part of the owners thereof, by reason of their failure to comply with any of the provisions of this act, the heirs or relatives surviving the deceased may commence an action for the recovery of such damages as provided by an act entitled "An act requiring compensation for causing death by wrongful act, neglect, or default", approved April twenty-sixth, eighteen hundred and sixty-two.

SEC. 4. This act shall take effect and be in force six months from and after its passage.

NOTE.—Stats. 1871-'72, p. 443:

AN ACT supplemental to an act entitled An act concerning corporations, passed twenty-second April, one thousand eight hundred and fifty. (Approved March 21, 1872; Civil Code, p. 140.)

SECTION 1. On petition of the majority of the shareholders of any corporation formed for the purpose of mining to the county judge of the county where said corporation has its principal place of business, verified by the signers, to the effect that they are severally the holders on the books of the company of the number of shares set opposite their signatures to the foregoing petition, the county judge shall issue his notice to the shareholders of said company that a meeting of the shareholders will be held, stating the time, not less than five nor more than ten days after the first publication of such notice, and the place of meeting within said county, and the object to be to take into consideration the removal of officers of said company; which notice, signed by the said county judge, shall be published daily in one or more daily newspapers published in said county for at least five days before the time for the meeting.

SEC. 2. At the time and place appointed by said notice those claiming to be shareholders who shall assemble shall proceed to organize by the appointment of a chairman and secretary, and thereupon those claiming to be shareholders shall present proof thereof, and only those showing a right to vote shall take part in the further proceedings. If it appears that at the time appointed, or within one hour thereafter, shareholders of less than one-half the shares are present, no further proceedings shall be had, but the meeting shall be *ipso-facto* dissolved: *Provided, however,* That by a vote of the holders of two-thirds of the capital stock of the corporations aforesaid, the board of trustees may be required to furnish to the meeting a written detailed statement and account of the affairs, business, and property of the corporation; but if the holders of more than two-thirds of the shares are present they shall proceed to vote, the secretary calling the roll and the members voting yea or no, as the case may be. The secretary shall enter the same upon his list, and when he has added up the list and stated the result, he shall sign the same and hand it to the chairman, who shall also sign the same and declare the result.

SEC. 3. If the result of the vote is that the holders of a majority of all the shares of the company are in favor of the removal of one or more of the officers of the company, the meeting shall then proceed to ballot for officers to supply the vacancies thus created. Tellers shall be appointed by the chairman, who shall collect the ballots and deliver them to the secretary, who shall count the same in open session, and, having stated the result of the count in writing, shall sign the same and hand it to the chairman, who shall announce the result to the meeting.

SEC. 4.-A report of the proceedings of the meeting shall be made in writing, signed by the chairman and secretary and verified by them, and delivered to the county judge, who shall thereupon issue to each person chosen a certificate of his election, and shall also issue an order requiring that all books, papers, and all property and effects be immediately delivered to the officers elect, and the petition and report, indorsed with the date and fact of the issuance of such certificate and order, shall be delivered to the county clerk to be by him filed in his office, and thereafter the persons thus elected officers shall be the duly-elected officers and hold office until the next regular annual meeting, unless removed under the provisions hereof.

SEC. 5. For all services in these proceedings the county clerk shall receive ten dollars on the issuance of the notice and ten dollars on the issuance of the certificates.

SEC. 6. All acts or parts of acts conflicting with this act are hereby repealed.

SEC. 7. This act shall take effect immediately.

PART II, TITLE II, CHAP. II.—THE TIME OF COMMENCING ACTIONS FOR THE RECOVERY OF REAL PROPERTY. (Hittell's Codes and Stats., vol. 2, p. 951.)

SECTION 318. No action for the recovery of real property, or for the recovery of the possession thereof, can be maintained, unless it appear that the plaintiff, his ancestor, predecessor, or grantor was seized or possessed of the property in question within five years before the commencement of the action.

SEC. 319. No cause of action, or defense to an action, arising out of the title to real property, or to rents or profits out of the same, can be effectual, unless it appear that the person prosecuting the action, or making the defense, or under whose title the action is prosecuted or the defense is made, or the ancestor, predecessor, or grantor of such person was seized or possessed of the premises in question within five years before the commencement of the act in respect to which such action is prosecuted or defense made.

SEC. 320. No entry upon real estate is deemed sufficient or valid as a claim, unless an action be commenced thereupon within one year after making such entry, and within five years from the time when the right to make it descended or accrued.

SEC. 321. In every action for the recovery of real property, or the possession thereof, the person establishing a legal title to the property is presumed to have been possessed thereof within the time required by law, and the occupation of the property by any other person is deemed to have been under and in subordination to the legal title, unless it appear that the property has been held and possessed adversely to such legal title for five years before the commencement of the action.

PART II, TITLE IX.—OF THE EXECUTION OF THE JUDGMENT IN CIVIL ACTIONS. (Hittell's Codes and Stats., vol. 2, p. 1005.)

CHAP. I.—*The execution.*

SECTION 690. The following property is exempt from execution, except as herein otherwise specially provided:

* * * * *
 5. The cabin or dwelling of a miner, not exceeding in value the sum of five hundred dollars; also, his sluices, pipes, hose, windlass, derrick, cars, pumps, tools, implements, and appliances necessary for carrying on any mining operations, not exceeding in value the aggregate sum of five hundred dollars; and two horses, mules, or oxen, with their harness; and food for such horses, mules, or oxen for one month, when necessary to be used in any whim, windlass, derrick, car, pump, or hoisting gear. * * *

PART II, TITLE X, CHAP. III.—OF CIVIL ACTIONS. (Hittell's Codes and Stats., vol. 2, p. 1018.)

SECTION 748. In actions respecting mining-claims, proof must be admitted of the customs, usages, or regulations established and in force at the bar or diggings embracing such claim; and such customs, usages, or regulations, when not in conflict with the laws of this state, must govern the decision of the action.

CALIFORNIA CODES, 1873: GENERAL STATUTES CONTINUED IN FORCE AND NOT AFFECTED BY THE PROVISIONS OF THE CODES.

AN ACT to provide for the formation of corporations for certain purposes. (Approved April 14, 1853, p. 214.)

SECTION 1. Corporations for manufacturing, mining, mechanical, mercantile, wharfing, and docking, or chemical purposes, or for the purpose of engaging in any other species of trade, business, or commerce, foreign or domestic, may be formed according to the provisions of this act; such corporations, and the members thereof, being subject to all the conditions and liabilities herein imposed, and to none others.

NOTE.—Amendment approved March 5, 1864, Stats. 1863-'64, p. 149, repealed all acts and parts of acts inconsistent therewith.

SEC. 2. Any three or more persons who may desire to form a company for any one or more of the purposes specified in the preceding section, may make, sign, and acknowledge, before some officer competent to take the acknowledgment of deeds, and file in the office of the county clerk of the county in which the principal place of business of the company is intended to be located, and a certified copy thereof, under the hand of the clerk, and seal of the county court of said county, in the office of the secretary of state, a certificate in writing, in which shall be stated the corporate name of the company, the objects for which the company shall be formed, the amount of its capital stock, the time of its existence, not to exceed fifty years, the number of shares of which the stock shall consist, the number of trustees, and their names, who shall manage the concerns of the company for the first three months, and the names of the city, or town, and county in which the principal place of business of the company is to be located. (Amendment approved March 7, 1859, p. 93.)

SEC. 3. A copy of any certificate of incorporation, filed in pursuance of this act, and certified by the county clerk of the county in which it is filed, or his deputy, or by the secretary of state, shall be received in all courts and places as presumptive evidence of the facts therein stated.

SEC. 4. When the certificate shall have been filed the persons who shall have signed and acknowledged the same, and their successors, shall be a body politic and corporate, in fact and in name, by the name stated in the certificate, and by their corporate name have succession for the period limited, and power:

First. To sue and be sued in any court.

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

Third. To purchase, hold, sell, and convey such real and personal estate as the purposes of the corporation shall require.

Fourth. To appoint such officers, agents, and servants as the business of the corporation shall require; to define their powers, prescribe their duties, and fix their compensation.

Fifth. To require of them such security as may be thought proper for the fulfillment of their duties, and to remove them at will, except that no trustee shall be removed from office unless by a vote of two-thirds of the whole number of trustees, or by a vote of a majority of the trustees, upon a written request signed by stockholders of two-thirds of the whole stock.

Sixth. To make by-laws not inconsistent with the laws of this state for the organization of the company, the management of its property, the regulation of its affairs, the transfer of its stock, and for carrying on all kinds of business within the objects and purposes of the company.

SEC. 5. The corporate powers of the corporation shall be exercised by a board of not less than three trustees, who shall be stockholders in the company, and a majority of them citizens of the United States and residents of this state, and who shall, after the expiration of the term of the trustees first selected, be annually elected by the stockholders at such time and place, and upon such notice and in such mode, as shall be directed by the by-laws of the company; but all elections shall be by ballot, and each stockholder, either in person or by proxy, shall be entitled to as many votes as he owns shares of stock; and the persons receiving the greatest number of votes shall be trustees. When any vacancy shall happen among the trustees, by death, resignation, or otherwise, it shall be filled for the remainder of the year in such manner as may be provided by the by-laws of the company.

SEC. 6. If it should happen, at any time, that an election of trustees shall not be made on the day designated by the by-laws of the company, the corporation shall not for that reason be dissolved, but it shall be lawful on any other day to hold an election for trustees, in such manner as shall be provided for by the by-laws of the company; and all acts of the trustees shall be valid and binding upon the company until their successors shall be elected.

SEC. 7. A majority of the whole number of trustees shall form a board for the transaction of business, and every decision of a majority of the persons duly assembled as a board shall be valid as a corporate act.

SEC. 8. The first meeting of the trustees shall be called by a notice signed by one or more of the persons named trustees in the certificate, setting forth the time and place of the meeting, which notice shall be either delivered personally to each trustee, or published at least ten days in some newspaper of the county in which is the principal place of business of the corporation, or if no newspaper be published in the county, then in some newspaper nearest thereto.

SEC. 9. The stock of the company shall be deemed personal estate, and shall be transferable in such manner

as shall be prescribed by the by-laws of the company; but no transfer shall be valid, except between the parties thereto, until the same shall have been so entered on the books of the company as to show the names of the parties by and to whom transferred, the number and designation of the shares, and the date of the transfer.

SEC. 10. The trustees shall have power to call in and demand from the stockholders the sums by them subscribed at such times and in such payments or installments as they may deem proper. Notice of each assessment shall be given to the stockholders personally, or shall be published once a week, for at least four weeks, in some newspaper published at the place designated as the principal place of business of the corporation; or if none is published there, in some newspaper nearest to such place. If after such notice has been given any stockholder shall make default in the payment of the assessments upon the shares held by him, so many of such shares may be sold as will be necessary for the payment of the assessment on all the shares held by him. The sale of said shares shall be made as prescribed in the by-laws of the company: *Provided*, That no sale shall be made except at public auction to the highest bidder, after a notice of thirty days, published as above directed in this section; and that at such sale the person who will agree to pay the assessment so due, together with the expenses of advertisement and the other expenses of sale, for the smallest number of whole shares, shall be deemed the highest bidder.

SEC. 11. Whenever any stock is held by any person, as executor, administrator, guardian, or trustee, he shall represent such stock at all meetings of the company, and may vote accordingly as a stockholder.

SEC. 12. Any stockholder may pledge his stock by a delivery of the certificates or other evidence of his interest, but may nevertheless represent the same at all meetings and vote accordingly as a stockholder.

SEC. 13. It shall not be lawful for the trustees to make any dividend, except from the surplus profits arising from the business of the corporation; nor to divide, withdraw, or in any way pay to the stockholders, or any of them, any part of the capital stock of the company; nor to reduce the capital stock, unless in the manner prescribed in this act; and in case of any violation of the provisions of this section, the trustees 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 board of trustees at the time, or, where not present when the same did happen, shall, in their individual and private capacities, be jointly and severally liable to the corporation, and the creditors thereof in the event of its dissolution, to the full amount so divided, withdrawn, paid out, or reduced: *Provided*, That this section shall not be construed to prevent a division and distribution of the capital stock of the company which shall remain after the payment of all its debts, upon the dissolution of the corporation or the expiration of its charter.

SEC. 14. The total amount of the debts of the corporation shall not at any time exceed the amount of the capital stock actually paid in; and in case of any excess, the trustees 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 board of trustees at the time, and except those who were not present when the same did happen, shall, in their individual and private capacities, be liable jointly and severally to the said corporation, and, in the event of its dissolution, to any of the creditors thereof, for the full amount of such excess.

SEC. 15. No corporation organized under this act shall, by any implication or construction, be deemed to possess the power of issuing bills, notes, or other evidences of debt for circulation as money.

SEC. 16. Each stockholder shall be individually and personally liable for his proportion of all the debts and liabilities of the company contracted or incurred during the time that he was a stockholder, for the recovery of which joint or several actions may be instituted and prosecuted. In any such action, whether joint or several, it shall be competent for the defendant or defendants, or any or either of them, on the trial of the same, to offer evidence of the payment by him or them, or any or either of them, of any debts or liabilities of such corporations; and upon proof of such payment, the same shall be taken into account and credited to the party or parties making such payment; and judgment shall not be rendered against the party or parties defendant proving such payment for a sum exceeding the amount of his or their proportion of the debts and liabilities of such incorporations, after deducting therefrom the sums proven to have been paid by him, them, or any or either of them, on account thereof.

NOTE.—Amendment approved April 27, 1863, took effect from passage. (Cal. Stats. 1863, p. 736.)

SEC. 17. No person holding stock as executor, administrator, guardian, or trustee, or holding it as collateral security, or in pledge, shall be personally subject to any liability as a stockholder of the company; but the person pledging the stock shall be considered as holding the same, and shall be liable as a stockholder accordingly; and the estate and funds in the hands of the executor, administrator, guardian, or trustee shall be liable in like manner and to the same extent as the testator or intestate, or the ward or person interested in the trust fund, would have been if he had been living and competent to act and hold the stock in his own name.

SEC. 18. It shall be the duty of the trustees of every company incorporated under this act to cause a book to be kept, containing the names of all persons, alphabetically arranged, who are or shall become stockholders of the corporation, and showing the number of shares of stock held by them respectively, and the time when they respectively became the owners of such shares; which book, during the usual business hours of the day, on every day except Sunday and the fourth of July, shall be open for the inspection of stockholders and creditors of the company, at the office or principal place of business of the company; and any stockholder or creditor shall have the right to make extracts from such book, or to demand and receive from the clerk or other officer having charge

of such book, a certified copy of any entry made therein; such book or certified copy of any entry shall be presumptive evidence of the facts therein stated, in any action or proceeding against the company or against only one or more stockholders.

SEC. 19. If the clerk or other officer having charge of such book shall make any false entry, or neglect to make any proper entry therein, or shall refuse or neglect to exhibit the same, or to allow the same to be inspected, or extracts to be taken therefrom, or to give a certified copy of an entry therein, as provided in the preceding section, he shall be deemed guilty of a misdemeanor, and shall forfeit and pay to the party injured a penalty of one hundred dollars and all damages resulting therefrom; and for neglecting to keep such book for inspection, as aforesaid, the corporation shall forfeit to the people the sum of one hundred dollars for every day it shall so neglect, to be sued for and recovered, in the name of the people, by the district attorney of the county in which the principal place of business of the corporation is located.

SEC. 20. Any company incorporated under this act may, by complying with the provisions herein contained, increase or diminish its capital stock to any amount which may be deemed sufficient and proper for the purposes of the corporation; but before any corporation shall be entitled to diminish the amount of its capital stock, if the amount of its debts and liabilities shall exceed the sum to which the capital is proposed to be diminished, such amount shall be satisfied and reduced so as not to exceed the diminished amount of capital.

SEC. 21. Whenever it is desired to increase or diminish the amount of capital stock a meeting of the stockholders may be called by a notice signed by at least a majority of the trustees, and published for at least four weeks in some newspaper published in the county where the principal place of business of the company is located; which notice shall specify the object of the meeting, the time and place where it is to be held, and the amount to which it is proposed to increase or diminish the capital; and a vote of two-thirds of all the shares of stock shall be necessary to an increase or diminution of the amount of the capital stock.

SEC. 22. If, at any meeting so called, a sufficient number of votes has been given in favor of increasing or diminishing the amount of capital, a certificate of the proceedings, showing a compliance with these provisions, the amount of capital actually paid in, the whole amount of the debts and liabilities of the company, and the amount to which the capital stock is to be increased or diminished, shall be made out, signed, and verified by the affidavit of the chairman and secretary of the meeting, certified by a majority of the trustees, and filed, as required by the second section of this act; and when so filed, the capital stock of the corporation shall be increased or diminished to the amount specified in the certificate.

SEC. 23. Upon the dissolution of any corporation formed under this act, the trustees at the time of the dissolution shall be trustees of the creditors and stockholders of the corporation dissolved, and shall have full power and authority to sue for and recover the debts and property of the corporation, by the name of trustees of such corporation, collect and pay the outstanding debts, settle all its affairs, and divide among the stockholders the money and other property that shall remain after the payment of the debts and necessary expenses.

SEC. 24. Any corporation formed under this act may dissolve and disincorporate itself by presenting to the county judge of the county in which the meetings of the trustees are usually held, a petition to that effect, accompanied by a certificate of its proper officers, and setting forth that, at a general or special meeting of the stockholders, called for that purpose, it was decided by a vote of two-thirds of all the stockholders to disincorporate and dissolve the corporation. Notice of the application shall then be given by the clerk, which notice shall set forth the nature of the application, and shall specify the time and place at which it is to be heard, and shall be published in some newspaper of the county, once a week for four weeks, or, if no newspaper is published in the county, by advertisement posted up for thirty days in three of the most public places in the county. At the time and place appointed, or at any other to which it may be postponed by the judge, he shall proceed to consider the application, and, if satisfied that the corporation has taken the necessary preliminary steps and obtained the necessary vote to dissolve itself, and that all claims against the corporation are discharged, he shall enter an order declaring it dissolved.

SEC. 25. The fifth chapter of an act concerning corporations, passed April twenty-second, one thousand eight hundred and fifty, is repealed; but this repeal shall not be construed to destroy the existence of any company already formed under the provisions of said chapter, nor to affect any right acquired or liability incurred under the same; but as to all such companies the provisions of said chapter shall continue in full force, except in those instances in which any company heretofore incorporated may avail itself of the provisions of the next section of this act.

SEC. 26. Any company incorporated under the said fifth chapter of an act concerning corporations, passed April twenty-second, one thousand eight hundred and fifty, may continue its corporate existence under this act by adopting a resolution to that effect by a vote of two-thirds of all the stockholders, and filing a certificate thereof, signed by its proper officers, in the office of the secretary of state and of the county clerk of the county in which is located the principal place of business of the corporation. From the time of filing the certificate the corporation shall be subject only to the provisions of this act, but the change so made shall not affect any right acquired or liability incurred previously by the corporation.

SEC. 27. Corporations formed under this act, and the members thereof, shall not be subject to the conditions and liabilities contained in an act entitled "An act concerning corporations", passed April twenty-second, one thousand eight hundred and fifty.

AN ACT supplementary to the foregoing act. (Approved March 27, 1857, p. 224.)

SECTION 1. It shall be the duty of the trustees of every company incorporated under this act for the purpose of ditching, mining, or conveying water for mining purposes, to cause a book to be kept containing the names of all persons, alphabetically arranged, who are or shall become stockholders of the corporation, and showing the number and designation of shares of stock held by them respectively, and the time when they respectively became the owners of such shares; also a book or books in which shall be entered at length, in a plain and simple manner, all by-laws, orders, and resolutions of the company and board of trustees, and the manner and time of their adoption; which books, during the business hours of the day, Sundays and fourth of July excepted, shall be open for the inspection of stockholders and the creditors of the company, each individual stockholder, and their duly-authorized agents and attorneys, at the office or principal place of business of the company: *Provided*, That the office and books of every such company shall be kept, and the books of such company shall be open, as aforesaid, in the county in which their business is transacted, and every stockholder or creditor, as aforesaid, or their agents or attorneys, shall have the right to make extracts from such books, or, upon payment of reasonable clerk's fees therefor, to demand and receive from the clerk, or other officer having the charge of such books, a certified copy of any entry made therein; such book or certified copy of any entry shall be presumptive evidence of the facts therein stated, in any action or proceeding against the company, or any one or more stockholders.

SEC. 2. If the clerk, or other officer having charge of such books, shall make any false entry, or neglect to make any proper entry therein, or shall refuse or neglect to exhibit the same, or allow the same to be inspected, or extracts to be taken therefrom, or to give a certified copy of any entry therein, as provided in the preceding section, he shall be deemed guilty of a misdemeanor, and shall forfeit and pay to the party injured a penalty of two hundred and one dollars and all damages resulting therefrom, to be recovered in any court of competent jurisdiction in this state; and for neglect to keep such books for inspection, and at the place provided for in the last section, the corporation shall forfeit to the people of the state of California the sum of two hundred and one dollars for every day they shall so neglect, to be sued for and recovered before any court of competent jurisdiction in the county in which the principal business of such company is transacted; and it shall be the duty of the district attorney within and for such county to prosecute such action, in the name of, and for the benefit of, the people of the state of California: *And it is further provided*, That in case any such incorporated company shall refuse or neglect, for the space of one full year after the passage of this act, to comply with the provisions of this and the preceding section, then, upon the showing of such facts by petition of any person aggrieved thereby, and due proof thereof, before the county judge of the county in which such company's principal business is transacted, after such company shall have been duly notified thereof, by summons, to be issued by said judge, citing such company to appear before such judge, at a time and place therein mentioned, which shall not be less than ten nor more than thirty days from the date of such summons, such company shall, by such judge, be declared and decreed to be disincorporated, so far as to deprive said company of all the privileges of this act, but in no manner to affect the remedy of all persons against such company, to be exercised as this act provides: *Provided*, That nothing contained in the provisions of this section concerning the disincorporating of such companies shall be so construed as to prevent the enforcement of the other remedies in this section mentioned at any time after the passage of this act, except as herein provided.

AN ACT amendatory and supplemental to an act entitled "An act to provide for the formation of corporations for certain purposes, approved April fourteenth, eighteen hundred and fifty-three". (Approved March 7, 1859; Cal. Stats. 1859, p. 93.)

[Section 1 contains the amendment to section 2 of the act of 1853, therein inserted.]

SEC. 2. All corporations heretofore formed under the provisions of the act of which this is amendatory, who have filed a certified copy of the certificate in writing, required to be executed in the first section of this act, in the office of the secretary of state, shall, to all intents and purposes, be as legally incorporated as though a duplicate thereof had been filed in the office of the said secretary of state; and all acts heretofore done by such companies, under their corporate name, in conformity to the laws governing corporations in this state, are hereby made lawful acts.

AN ACT to provide for the formation of corporations for certain purposes. (Approved April 4, 1870; Cal. Codes, p. 228.)

SECTION 1. Corporations for any trading, manufacturing, mechanical, or other lawful business or purpose may be formed under the provisions of this act; such corporations and its members to be subject to the duties, conditions, and liabilities herein imposed, and no others.

SEC. 2. The provisions of sections two, three, four, six, seven, eight, nine, ten, eleven, twelve, thirteen, fourteen,

fifteen, sixteen, seventeen, eighteen, nineteen, twenty, twenty-one, twenty-two, twenty-three, twenty-four, and twenty-seven of an act entitled An act to provide for the formation of corporations for certain purposes, passed April fourteenth, one thousand eight hundred and fifty-three, and of all acts amendatory of or supplementary to said sections, shall apply to corporations formed under this act.

SEC. 3. The corporate powers of the corporation shall be exercised by a board of not less than three trustees, who shall be stockholders in the company, and a majority of them citizens of the United States and residents of this state, and who shall, after the expiration of the term of the trustees first selected, be annually elected by the stockholders, at such time and place, and upon such notice, and in such mode, as shall be directed by the by-laws of the company; but such election shall be by ballot, either in person or by proxy, and the persons receiving the greatest number of votes shall be trustees. Vacancies among the trustees, by death, resignation, or otherwise, shall be filled for the remainder of the year in such manner as the by-laws prescribe, and the by-laws shall be made or altered or amended by the stockholders at their annual meeting, or at such other meeting of the stockholders as may be provided for in a by-law made for this particular purpose.

SEC. 4. No member of such corporation shall be entitled to hold or claim any interest therein exceeding the sum of two thousand dollars, nor shall any member, upon any subject, be entitled to more than one vote.

SEC. 5. No certificate of shares shall be issued to any person until the full amount thereof shall have been paid in cash; no person shall be allowed to become a stockholder, except by the consent of the board of trustees, entered in the minutes of their proceedings.

SEC. 6. At the annual meeting of the stockholders in each year, the board of trustees shall present a report of the condition of the corporation, containing the amount of the capital stock, the par value of the shares, the number of shares issued, the names and residence of the stockholders, and the number of shares owned by each; the kind and amount of the property held by the corporation, its liabilities, and the receipts and expenditures during the preceding year; which report shall be signed and sworn to by the president and secretary of the corporation, and filed in the office of the county clerk of the county in which the principal place of business of the corporation is located, and a copy thereof, certified by said clerk, shall be filed in the office of the secretary of state.

SEC. 7. The board of trustees shall also, when required in writing by one-third of the stockholders, make out written reports of the exact situation and business of the corporation.

SEC. 8. For failure to make the reports required in the two preceding sections the corporation shall be subject to a penalty of five hundred dollars, and an additional five hundred dollars for every month that such corporation shall thereafter continue to transact business.

SEC. 9. The certificate of incorporation shall substantially state, in addition to the other requirements of the law, that the corporation is formed under this act; otherwise, the corporation shall not be deemed to be formed under this act.

SEC. 10. This act shall be in force immediately after its passage.

ART. XI.—*Canal companies.*

AN ACT to authorize the incorporation of canal companies and the construction of canals. (Approved May 14, 1862, p. 249.)

SECTION 1. Corporations may be formed under the provisions of an act entitled An act to provide for the formation of corporations for certain purposes, passed April fourteenth, eighteen hundred and fifty-three, and the several acts amendatory thereof and supplemental thereto, for the following purposes: The construction of canals, for the transportation of passengers and freights, or for the purpose of irrigation or water-power, or for the conveyance of water for mining or manufacturing purposes, or for all of such purposes.

SEC. 2. The right is hereby granted to any company organized under the authority of this act to construct all works necessary to the objects of the company, to make all surveys necessary to the selection of the best site for the works and of the lands required therefor, and to acquire all lands, waters not previously appropriated, and other property necessary to the proper construction, use, supply, maintenance, repairs, and improvements of the works, in the manner and by the mode of proceedings prescribed in an act entitled An act to provide for the incorporation of railroad companies, and the management of the affairs thereof, and other matters relating thereto, passed May twentieth, eighteen hundred and sixty-one.

SEC. 3. Every company organized as aforesaid shall have power, and the same is hereby granted, to make rules and regulations for the management and preservation of their works, not inconsistent with the laws of this state, and for the use and distribution of the waters, and the navigation of the canals, and to establish, collect, and receive rates, water rents, or tolls, which shall be subject to regulation by the board of supervisors of the county or counties in which the work is situated, but which shall not be reduced by the supervisors so low as to yield to the stockholders less than one and one-half per cent. per month upon the capital actually invested.

SEC. 4. Every company organized under the authority of this act shall construct and keep in good repair, at all times, for public use, across their canal, all of the bridges that the board of supervisors of the county or counties in which such canal is situated shall require; said bridges being on the lines of public highways, and necessary for public use in connection with such highways.

SEC. 5. The provisions of this act shall not apply to the counties of Nevada, Placer, Amador, Sierra, Klamath, Del Norte, Trinity, Butte, Plumas, and Calaveras. (Amendment approved February 3, 1866; Cal. Stats. 1865-'66, p. 53.)

NOTE.—The counties of Tuolumne and Lassen, added by amendment of 1868, and the counties of Placer and Butte, omitted from the same, approved March 12, 1868, p. 134, took effect from passage, the latter amendment superseding amendment approved March 31, 1866. (Cal. Stats., p. 604.)

SEC. 6. This act shall take effect from and after its passage.

NOTE.—The provisions of an act for the incorporation of water companies, approved April 22, 1858, p. 218, are to apply, so far as the application for condemnation of land, to the act to define and establish the line and width of East street, approved April 2, 1870. (Cal. Stats., p. 651.)

AN ACT to authorize the incorporation of canal companies and provide for the construction of canals and ditches. (Approved April 2, 1870; Cal. Stats. 1869-'70, p. 660.)

SECTION 1. Corporations may be formed under the provisions of the act of April fourteenth, eighteen hundred and sixty-three, entitled An act to provide for the formation of corporations for certain purposes, and of the several acts amendatory thereof and supplementary thereto, for the following purposes, namely: The construction of canals for the transportation of passengers and freights; for the supplying of water for irrigation; for procuring water-power; for conveying water for mining or manufacturing purposes; or for all such purposes combined.

SEC. 2. The right is hereby granted to any company organized under this act, or which may have been organized under preceding acts, to construct all reservoirs, dams, embankments, canals, ditches, and other works necessary to the objects of such company; to make the surveys necessary to the selection of the sites and routes of such works, and to acquire all lands, waters not previously appropriated, and other property required for the proper construction, use, supply, maintenance, repairs, and improvements of the same, in the manner hereinafter provided.

SEC. 3. Any company organized in pursuance of this act, or any company organized under any pre-existing acts for similar purposes, shall have the power to locate or fix upon the line or route of its proposed ditch or canal, and select the site or sites of its proposed dams, embankments, and reservoirs, in conformity with the designation of its engineer or business manager.

SEC. 4. In case the route so fixed upon, or any part thereof, or the site so selected, be upon land owned by individuals, or upon public land possessed and occupied by individuals, and the right to such route or site over or upon such land has not been acquired by agreement with such owners or occupant, then it shall be lawful for such company to present to the county judge of the county wherein such land is situate a petition, verified by an officer or agent of the company, showing that such route or site is necessary to such company; that it passes over or is upon such land, and that a right to the same has not been acquired by agreement with the owner or occupant (naming him) of the land. It shall conclude with a prayer for the appointment of commissioners to assess the damages resulting to such owner or occupant because of the selection and appropriation of such route or site.

SEC. 5. Upon the receipt of the petition mentioned in the foregoing section, the county judge shall make an order directing the clerk of the county court of such county to issue a citation to the owner or occupant of the land described in the petition, requiring him to appear before the county judge, at his chambers, on a day therein named, and show cause why the prayer of the petition should not be granted. The day named in the citation for such appearance shall not be less than ten nor more than thirty days from the date of its issuance. Such citation may be served in the manner provided by law for the service of summons, and in case the owner or occupant of the land should be absent from the state, or it is not known where he or she may be found, and this fact is made to appear by affidavit to the county judge, he shall, by order, direct the same to be served by publication in some newspaper published in the county, in the manner prescribed for the publication of summonses: *Provided*, That the period prescribed in such order for such publication shall in no case exceed two months from the first insertion.

SEC. 6. On the day appointed for the appearance of the owner or occupant of the land, or upon any subsequent day to which the hearing may, for good cause shown, be adjourned, the county judge shall proceed to hear the allegations and proofs of the respective parties; and if upon such hearing he shall be satisfied that the route or site selected over or upon such land is necessary for the promotion of the objects of the company, and that no private agreement has been made by the parties relative thereto, he shall proceed to nominate, as commissioners, three disinterested citizens of the county with power to hear and determine between the parties, and assess the value of the land sought to be condemned.

SEC. 7. Such commissioners shall proceed without unnecessary delay to appoint a day and place upon and at which the respective parties shall appear before them with their witnesses and other proofs, and such commissioners shall have power to compel the attendance of witnesses and to administer to them the necessary oaths: *Provided*, That such owner or occupant shall have at least six days' notice of the time and place of such hearing: *Provided further*, That the said commissioners shall have power to adjourn such hearing from time to time, to enable either of the parties to procure witnesses: *And provided*, That such adjournment shall not exceed in the aggregate ten days: *And provided further*, That such commissioners may, if they deem it proper, visit the locality of such proposed route or site, in company with such witnesses and experts as they may select.

SEC. 8. Within ten days from the hearing by such commissioners, they shall proceed to assess the actual damages accruing to the owner or occupant of the land by reason of the construction thereon of the proposed works, and to report the same in writing to the county judge, who shall immediately cause such report to be filed in the office of the clerk of the county court.

SEC. 9. Within ten days from the filing of such report either party may move, upon good cause shown by affidavits, to vacate and set aside the same; and if set aside, a new commission shall be appointed by the county judge, which shall proceed to hear and determine, in all respects, as is provided in case of the original commission.

SEC. 10. After the lapse of ten days from the filing of such report, if no motion to vacate the same is made, or if, being made, it is denied, or after the lapse of ten days from the filing of the report of the new commission, as provided in the last section, the county judge shall proceed to make an order upon the same, condemning so much of the land as he shall deem necessary for such canal or other works. Such order shall declare the sum to be paid by way of damages by such company, and shall award to such company the right to occupy such land and construct the proposed works upon payment by it to such owner or occupant of the sum so provided, which said order shall be duly filed in the office of the clerk of such county court; and from the date of the payment of such sum to such owner or occupant, the said company shall have full right and authority to enter upon such land, and to proceed with the erection and construction of its proposed works along such route and upon such site.

SEC. 11. The commissioners appointed in pursuance of this act shall each be entitled to receive five dollars per day for every day they shall be actually engaged in the business of the commission; and witnesses summoned and sworn before the same shall receive such fees and mileage as are allowed to witnesses in ordinary proceedings at law.

SEC. 12. Every company organized in pursuance of this act shall construct and keep in good repair, at all times, for public use, the various bridges across any canal or ditch owned by it, required by the board of supervisors of the county wherein such crossing is situated, such bridge being on the line or crossing a public highway or county road, and necessary for public use.

SEC. 13. All acts and parts of acts in conflict with the provisions of this act are hereby repealed.

SEC. 14. This act shall take effect and be in force from and after its passage.

STATUTES OF 1873-'74, 1875-'76, 1877-'78, 1880.

CHAP. CCCXCVIII.

AN ACT for the protection of coal-mines and coal-miners. (Approved March 27, 1874, p. 726.)

SECTION 1. The owner or agent of every coal-mine shall make, or cause to be made, an accurate map or plan of the workings of such coal-mine, on a scale of one hundred feet to the inch.

SEC. 2. A true copy of which map or plan shall be kept at the office of the owner or owners of the mine, open to the inspection of all persons, and one copy of such map or plan shall be kept at the mines by the agent or other person having charge of the mines, open to the inspection of the workmen.

SEC. 3. The owner or agent of every coal-mine shall provide at least two shafts, or slopes, or outlets, separated by natural strata of not less than one hundred and fifty feet in breadth, by which shafts, slopes, or outlets distinct means of ingress and egress are always available to the persons employed in the coal-mine: *Provided*, That if a new tunnel, slope, or shaft will be required for the additional opening, work upon the same shall commence immediately after the passage of this act, and continue until its final completion, with reasonable dispatch.

SEC. 4. The owner or agent of every coal-mine shall provide and establish for every such mine an adequate amount of ventilation, of not less than fifty-five cubic feet per second of pure air, or thirty-three hundred feet per minute, for every fifty men at work in such mine, and as much more as circumstances may require, which shall be circulated through to the face of each and every working place throughout the entire mine, to dilute and render harmless and expel therefrom the noxious, poisonous gases, to such an extent that the entire mine shall be in a fit state for men to work therein, and be free from danger to the health and lives of the men by reason of said noxious and poisonous gases, and all workings shall be kept clear of standing gas.

SEC. 5. To secure the ventilation of every coal-mine, and provide for the health and safety of the men employed therein, otherwise and in every respect, the owner, or agent, as the case may be, in charge of every coal-mine, shall employ a competent and practical inside overseer, who shall keep a careful watch over the ventilating apparatus, over the air ways, the traveling ways, the pumps and sumps, the timbering, to see, as the miners advance in their excavations, that all loose coal, slate, or rock overhead is carefully secured against falling; over the arrangements for signaling from the bottom to the top, and from the top to the bottom, of the shaft or slope, and all things connected with and appertaining to the safety of the men at work in the mine. He, or his assistants, shall examine carefully the working of all mines generating explosive gases every morning before the miners enter, and shall ascertain that the mine is free from danger, and the workmen shall not enter the mine until such examination has been made and reported, and the cause of danger, if any, be removed.

SEC. 6. The overseer shall see that the hoisting machinery is kept constantly in repair and ready for use, to hoist the workmen in or out of the mine.

SEC. 7. The word "owner" in this act shall apply to lessee as well.

SEC. 8. For any injury to person or property occasioned by any violation of this act, or any willful failure to comply with its provisions, a right of action shall accrue to the party injured for any direct damages he or she may have sustained thereby, before any court of competent jurisdiction.

SEC. 9. For any willful failure or negligence on the part of the overseer of any coal-mine, he shall be liable to conviction of misdemeanor and punished according to law: *Provided*, That if such willful failure or negligence is the cause of the death of any person, the overseer, upon conviction, shall be deemed guilty of manslaughter.

SEC. 10. All boilers used for generating steam in and about coal-mines shall be kept in good order, and the owner or agent thereof shall have them examined and inspected, by a competent boiler maker, as often as once in three months.

SEC. 11. This act shall not apply to opening a new coal-mine.

SEC. 12. This act shall take effect immediately.

CHAP. DOXXVII.

AN ACT for the better protection of the stockholders in corporations formed under the laws of the state of California, for the purpose of carrying on and conducting the business of mining. (Approved March 30, 1874, p. 66.)

SECTION 1. It shall be the duty of the secretary of every corporation formed under the laws of the state of California, for the purpose of mining, to keep the books of such corporation as prescribed by its by-laws: *Provided*, Such by-laws are not inconsistent with the laws of this state. The books of such corporation shall be produced for examination and inspection during the hours of business every day in the year, Sundays and legal holidays excepted, upon the demand of any stockholder holding and presenting a certificate of stock in such corporation, either in his own name or properly indorsed; and the secretary of such corporation shall be required, upon the demand of any stockholder holding stock in such corporation to the amount of five hundred dollars, par value, to have the books of the corporation written up at the end of each month, and shall make out a balance sheet showing the correct financial condition of the corporation; and on or before the tenth day of January and July, of each year, he shall make out a written statement, showing all the business and financial transactions of the corporation for the six months preceding, which statement shall also contain a full description of all property of the corporation and the character and extent of the same; and such statements, together with all papers and records of the corporation, shall be open to examination and inspection upon any demand by such stockholder. All demands of stockholders, as specified in this section, shall be made to the secretary, at the office of the corporation where its principal place of business is located.

SEC. 2. Any owner of stock of the par value of five hundred dollars, in any of the corporations mentioned in section one of this act, shall, at all hours of business or labor on or about the premises or property of such corporation, have the right to enter upon such property and examine the same, either on the surface or under ground. And it is hereby made the duty of any and all officers, managers, agents, superintendents, or persons in charge, to allow any such stockholder to enter upon and examine any of the property of such corporation at any time during the hours of business or labor; and the presentations of certificates of stock in the corporation of the par value of five hundred dollars, to the officer or person in charge, shall be *prima-facie* evidence of ownership and right to enter upon or into, and make examinations of, the property of the corporation.

SEC. 3. The violations of any of the provisions of sections one and two of this act shall subject the trustees of the corporation to a fine of two hundred dollars, and costs of suit, and the expenses of the stockholders so refused, in traveling to and from the property, which may be recovered in any court of competent jurisdiction, either in the county where the property is situated or in the county where the office and principal place of business of the corporation is situated, which said fine shall be imposed and collected for and paid over to the person so refused, together with all moneys collected for the said traveling expenses.

SEC. 4. All acts in conflict with the provisions of this act are hereby repealed.

CHAP. CCCCLVI.

AN ACT to authorize corporations to own and improve the lots and houses in which their business is carried on. (Approved April 1, 1876; Cal. Stats. 1875-'76, p. 653.)

SECTION 1. By unanimous consent of its members or stockholders, any corporation existing under the laws of this state may acquire and hold the lot and house in which its business is carried on, and may improve the same to any extent required for the convenient transaction of its business.

SEC. 2. This act shall take effect immediately.

CHAP. CCCCCLXXXI.

AN ACT creating a board of bank commissioners, and prescribing their duties and powers. (Approved March 30, 1878; Cal. Stats. 1877-78, p. 740.)

* * * * *
 SECTION 8. No savings bank shall receive the license in this act provided for, unless at least fifty per cent. of all its loans shall be secured by first mortgage, or other prior lien, upon real estate situate within this state; such loans, at the date when made, hereafter, not to exceed sixty per cent. of the market value of the security, except when made for the purpose of facilitating the sale of property owned by the corporation. And it shall be unlawful for any savings and loan society, or savings bank, to purchase, invest, or loan its capital, or the money of its depositors, or any part of either, in mining shares or stocks. Any president or managing officer who knowingly consents to a violation of the above provision shall be deemed guilty of a felony.

CHAP. DCXIII.

AN ACT imposing a tax on the issue of certificates of stock corporations. (Approved April 1, 1878; Cal. Stats. 1877-78, p. 955.)

SECTION 1. It shall be lawful for the secretary of every corporation in the state of California to demand and receive of any person requiring the issue to him of any certificate of stock in such corporation, a fee of ten cents in coin for each certificate, whether such certificate be the original issue or an issue on transfer, and such certificate shall not be delivered by the secretary until such fee shall be paid.

SEC. 2. It shall be the duty of the secretary of every such corporation, on the first Monday in January, April, July, and October of each year, to make returns, under oath, to the tax collector, or officer acting as tax collector, of the number of certificates issued by the corporation of which he is secretary, during the quarter preceding, and pay to such tax collector the sum of ten cents in coin for each and every certificate so issued by said corporation, except that in the city and county of San Francisco such returns and payments shall be made to the license collector, or officer engaged in the collection of licenses in said city and county.

SEC. 3. Such tax collector, or license collector, is hereby authorized and empowered to examine such secretary, under oath, as to the truth of said returns, and to examine, if necessary, the books of such corporation, so far as they relate to the transfer of stock or issue of certificates, and if the returns are not correct, then he is authorized to commence an action against such corporation in any court of competent jurisdiction, in the name of the people of the state of California, for a penalty of one hundred dollars for each certificate issued by such corporation and not so returned under oath, and several penalties may be joined in such action.

SEC. 4. Any person violating the provisions of section two of this act shall be deemed guilty of a misdemeanor, and false swearing to any return provided in section two shall be deemed perjury.

SEC. 5. All moneys collected under the provisions of this act shall be paid by such tax collector, or license collector, into the county treasury, and shall become a part of the general fund, or if there shall in any county be no general fund, then the same shall become a part of such fund as the board of supervisors may direct.

SEC. 6. This act shall take effect on the first Monday in April, 1878.

CHAP. CV.

AN ACT to provide for the establishment and maintenance of a mining bureau. (Approved April 16, 1880; Cal. Stats. 1880, p. 115.)

SECTION 1. There shall be and is hereby established in this state a mining bureau, the principal office of which shall be maintained in the city of San Francisco, at which place there shall be collected by the state mineralogist, and preserved for study and reference, specimens of all the geological and mineralogical substances, including mineral waters, found in this state, especially those possessing economic or commercial value, which specimens shall be marked, arranged, classified, and described, and a record thereof preserved, showing the character thereof and the place from whence obtained. The state mineralogist shall also, as he has opportunity and means, collect, and in like manner preserve at said office, minerals, rocks, and fossils of other states, territories, and countries, and the collections so made shall at all reasonable hours be open to public inspection, examination, and study.

SEC. 2. It shall be the duty of the governor to appoint a citizen of this state having a practical and scientific knowledge of mining and mineralogy to the office of state mineralogist, to hold his said office for the term of four years, or until the appointment and qualification of his successor, who shall take and subscribe the oath of office prescribed by the constitution, and who shall receive for his services a salary of three thousand dollars per annum, to be paid as other officers of the state are paid, and shall also receive his necessary traveling expenses when traveling on the business of his office, to be allowed and audited by the state board of examiners, the whole to be paid out of the mining-bureau fund hereinafter provided for, and not otherwise.

SEC. 3. In addition to the collection, classification, arranging, and preservation of specimens, as provided in the

first section of this act, it shall be the duty of the state mineralogist to make analytical assays as required; and, when the funds in the mining-bureau fund are sufficient therefor, to provide and maintain a library of works on mineralogy, geology, and mining; to arrange in cases such specimens as he may collect; to procure and preserve models and drawings of mining machinery, and of milling machinery used in the reduction of ores; to correspond with established schools of mining and metallurgy, and obtain and preserve for public inspection and use such information respecting improvements in mining and mining machinery as will be of practical value to the people of this state; to visit the several mining districts of each county of the state, from time to time, ascertain and record their history, describe their geological formation and altitudes, the character of the mines and ores, and the general development of the district. At the close of each year he shall make a report in detail to the governor, showing the amount of disbursements of the bureau under his charge, the number of specimens collected, and giving such statistical information in reference to mines and mining as shall be deemed important.

SEC. 4. The state mineralogist may, from time to time, and as the funds in the mining-bureau fund will permit, appoint such assistants as he may deem necessary and proper for the carrying out of the objects of this act, and the efficient provision and maintenance of a bureau of mining information and statistics, and may procure and maintain the necessary rooms and furniture for the office and uses of the bureau in San Francisco; but the entire expenses of the bureau for salaries, assistance, rents, furniture, fuel, and all other things pertaining to the bureau must not, in any one year, be greater than can be paid out of the mining-bureau fund herein provided for.

SEC. 5. For the purpose of establishing a fund for the maintenance of said mining bureau, it shall be the duty of the tax collectors in the several counties in this state, and of the license collector of the city and county of San Francisco, on the second Monday of January, April, July, and October in each year, to transmit by express to the state treasurer all moneys collected by them from mining corporations, or from corporations formed for milling ores, or for supplying water for mining purposes, under or by virtue of the act entitled "An act imposing a tax on the issue of certificates of stock corporations", approved April first, eighteen hundred and seventy-eight, and to forward to the state controller by mail a certificate showing the amount of money so forwarded to the state treasurer, and the date when the same was transmitted, and also showing the names of the several corporations from which the same was received, and the amount received from each. The state treasurer shall receive the amounts so transmitted, and give duplicate receipts therefor, one of which shall be filed with the state controller, and the other shall be returned by mail, or return express, to the collector from whom the money was received; and after paying out of the money so received the charges for the transmission thereof, the amount of which shall be noted on the receipt filed with the state controller, he shall retain the remainder in his hands as a separate fund, to be known as the mining-bureau fund, to be used only in payment of drafts made for the expenses of the mining bureau established under this act, and out of which all the expenses of said bureau shall be paid.

SEC. 6. Such tax collectors and license collector shall hereafter be required to pay into the county treasuries of their respective counties only that portion of the moneys collected by them under the act of the legislature mentioned in the last preceding section which is collected from corporations other than those mentioned in section five of this act.

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

CHAP. CXVII.

AN ACT to promote drainage. (Approved April 23, 1880; Cal. Stats. 1880, p. 123.)

* * * * *
SECTION 19. The owner or owners or the managing agent of every hydraulic mine or any mine using water to wash the earth or ores for mining purposes, which mine may be embraced in whole or in part within any drainage district to be formed or organized under this act, and of all mines the waters from which carrying slickens, sand, or debris therefrom runs into any such district, shall, on or before the first day of July, A. D. eighteen hundred and eighty, and every year thereafter at the time required for rendering a statement to the assessor for the purpose of assessing for state and county taxes, render to the assessor of the county in which the mine is located a sworn statement showing the number of miners' inches of water (of twenty-four hours' run) used by the mine of which he is in whole or in part owner or the managing agent, for the preceding year ending on the first day of March next preceding the rendition of such statement. The statement shall include also the name and description of the mine. Upon the receipt of such statement from the owner or managing agent of such mines, the assessor shall enter the same, in a separate column, in the duplicate assessment-book provided for in this act, so that it will show the number of miners' inches of water (of each twenty-four hours' run) used by each of such mines within the county for which he is assessor:

SEC. 20. The board of directors shall, at the same time in October of each year that they levy the tax hereinbefore provided for, levy an assessment upon all hydraulic mines, and upon all mines washing earth or ores with waters running into the district, of one-half of one cent for each miners' inch of water, of each twenty-four hours' run, used during such year, and shall notify the auditor of each county embraced in whole or in part in the district of the

amount so levied, and he shall compute and enter upon the duplicate assessment-book the respective sums to be collected from the respective mines; and the tax collector shall collect said assessment at the same time and the same manner that they collect state and county taxes; and the money so collected shall be paid over in the same manner and at the same time as herein provided for the collection of taxes, and the state treasurer shall place the same to the credit of the "construction fund" of the proper district.

CHAP. CXXI.

AN ACT amendatory of an act entitled "An act for the better protection of the stockholders in corporations, formed under the laws of the state of California, for the purpose of carrying on and conducting the business of mining", approved March thirtieth, eighteen hundred and seventy-four". (Approved April 23, 1880; Cal. Stats. 1880, p. 134.)

SECTION 1. Section one of said act is hereby amended so as to read as follows:

SECTION 1. It shall be the duty of the secretary of every corporation formed under the laws of this state for the purpose of mining, to keep a complete set of books, showing all receipts and expenditures of such corporation, the sources of such receipts, and the object of such expenditures, and also all transfers of stock. All books and papers shall at all times, during business hours, be open to the inspection of any *bona fide* stockholder, and if any stockholder shall at any time so request, it shall be the duty of the secretary to attend at the office of said company at least one hour in the day out of regular business hours, and exhibit such books and papers of the company as such stockholder may desire, who shall be entitled to be accompanied by an expert; and he shall also be entitled to make copies or extracts from any such books or papers. It shall be the duty of the directors, on the first Monday of each and every month, to cause to be made an itemized account or balance sheet for the previous month, embracing a full and complete statement of all disbursements and receipts, showing from what sources such receipts were derived, and for what and to whom such disbursements or payments were made, and for what object or purpose the same were made; also all indebtedness or liabilities incurred or existing at the time, and for what the same were incurred, and the balance of money, if any, on hand. Such account or balance sheet shall be verified under oath by the president and secretary, and posted in some conspicuous place in the office of the company. It shall be the duty of the superintendent, on the first Monday of each month, to file with the secretary an itemized account, verified under oath, showing all receipts and disbursements made by him for the previous month, and for what said disbursements were made. It shall also be the duty of the superintendent to file with the secretary a weekly statement, under oath, showing the number of men employed under him, and for what purpose, and the rate of wages paid to each one. He shall attach to such account a full and complete report, under oath, of the work done in said mine, the amount of ore extracted, from what part of the mine taken, the amount sent to mill for reduction, its assay value, the amount of bullion received, the amount of bullion shipped to the office of the company or elsewhere, and the amount, if any, retained by the superintendent. It shall also be his duty to forward to the office of the company a full report, under oath, of all discoveries of ores or mineral-bearing quartz made in said mine, whether by boring, drifting, sinking, or otherwise, together with the assay value thereof. All accounts, reports, and correspondence from the superintendent shall be kept in some conspicuous place in the office of said company, and be open to the inspection of all stockholders.

SEC. 2. Section two of said act is hereby amended so as to read as follows:

SEC. 2. Any *bona fide* stockholder of a corporation formed under the laws of this state for the purpose of mining shall be entitled to visit, accompanied by his expert, and examine the mine or mines owned by such corporation, and every part thereof, at any time he may see fit to make such visit and examination; and when such stockholder shall make application to the president of such corporation, he shall immediately cause the secretary thereof to issue and deliver to such applicant an order, under the seal of the corporation, directed to the superintendent, commanding him to show and exhibit such parts of said mine or mines as the party named in said order may desire to visit and examine. It shall be the duty of the superintendent, on receiving such order, to furnish such stockholder every facility for making a full and complete inspection of said mine or mines, and of the workings therein; it shall be his duty also to accompany said stockholder, either in person, or to furnish some person familiar with said mine or mines to accompany him, in his visit to and through such mine or mines, and every part thereof. In case of the failure or refusal of the superintendent to obey such order, such stockholder shall be entitled to recover, in any court of competent jurisdiction, against said corporation, the sum of one thousand dollars and traveling expenses to and from said mine as liquidated damages, together with costs of suit. In case of such refusal, it shall be the duty of the directors of such corporation forthwith to remove the officer so refusing, and thereafter he shall not be employed directly or indirectly by such corporation, and no salary shall be paid to him.

SEC. 3. Section three of said act is hereby amended so as to read as follows:

SEC. 3. In case of the refusal or neglect of the president to cause to be issued by the secretary the order in the second section of this act mentioned, such stockholder shall be entitled to recover against said president the sum of one thousand dollars and costs, as provided in the last section. In case of the failure of the directors to have the reports and accounts current made and posted as in the first section of this act provided, they shall be liable,

either severally or jointly, to an action by any stockholder in any court of competent jurisdiction complaining thereof, and on proof of such refusal or failure, such complaining stockholder shall recover judgment for one thousand dollars liquidated damages, with costs of suit.

SEC. 4. All acts and parts of acts, so far as they conflict with this act, are hereby repealed.

SEC. 5. This act shall take effect from and after its passage.

CHAP. CXVIII.

AN ACT for the further protection of stockholders in mining companies. (Approved April 23, 1880; Cal. Stats. 1880, p. 131.)

SECTION 1. It shall not be lawful for the directors of any mining corporation to sell, lease, mortgage, or otherwise dispose of the whole or any part of the mining ground owned or held by such corporation, nor to purchase or obtain, in any way, any additional mining ground, unless such act be ratified by the holders of at least two-thirds of the capital stock of such corporation. Such ratification may be made either in writing, signed and acknowledged by such stockholders, or by resolution, duly passed at a stockholders' meeting called for that purpose.

SEC. 2. All stock in each and every mining corporation in this state shall stand in the books of said company, in all cases, in the names of the real owners of such stock, or in the name of the trustees of such real owners; but in every case where such stock shall stand in the name of a trustee, the party for whom he holds such stock in trust shall be designated upon said books, and also in the body of the certificate of such stock.

SEC. 3. It shall not be lawful for any such corporation, or the secretary thereof, to close the books of said corporation more than two days prior to the day of any election. At such election the stock of said corporation shall be voted by the *bona fide* owners thereof, as shown by the books of said corporation, unless the certificate of stock, duly indorsed, be produced at such election, in which case said certificate shall be deemed the highest evidence of ownership, and the holder thereof shall be entitled to vote the same.

SEC. 4. All acts and parts of acts in conflict with this act are hereby repealed.

SEC. 5. This act shall take effect from and after its passage.

AMENDMENTS TO THE CODES, 1880.

CHAP. XC.

AN ACT to amend section two hundred and ninety of the Civil Code, in regard to articles of incorporation. (Approved April 16, 1880, p. 11.)

SECTION 1. Section two hundred and ninety of the Civil Code is hereby amended so as to read as follows:

SECTION 290. Articles of incorporation must be prepared, setting forth:

First. The name of the incorporation.

Second. The purpose for which it is framed.

Third. The place where its principal business is to be transacted.

Fourth. The term for which it is to exist, not exceeding fifty years.

Fifth. The number of its directors or trustees, which shall not be less than five nor more than eleven, and the names and residence of those who are appointed for the first year: *Provided*, That the corporate powers, business, and property of corporations formed or to be formed for the purpose of erecting and managing halls and buildings for the meetings and accommodation of several lodges or societies of any benevolent or charitable order or organization, and in connection therewith the leasing of stores and offices in such building or buildings for other purposes, may be conducted, exercised, and controlled by a board of not less than five nor more than fifty directors, to be chosen from among the stockholders of such corporation or from among the members of such order or organization: *And provided also*, That at any time during the existence of corporations for profit, other than those of the character last hereinabove provided for, the number of directors may be increased or diminished, by a majority of the stockholders of the corporation, to any number not exceeding eleven nor less than five, who must be members of the corporation, whereupon a certificate, stating the number of directors, must be filed, as provided for in section two hundred and ninety-six for the filing of the original articles of incorporation.

Sixth. The amount of its capital stock, and the number of shares into which it is divided.

Seventh. If there is a capital stock, the amount actually subscribed, and by whom.

SEC. 2. This act shall take effect immediately.

CHAP. CXII.

AN ACT to amend an act entitled "An act to amend section two hundred and ninety-nine of the Civil Code of California", approved March twenty-second, anno Domini eighteen hundred and seventy-eight. (Approved April 23, 1880, p. 13.)

SECTION 1. Section (299) two hundred and ninety-nine of said Civil Code is hereby amended so as to read as follows:

SECTION 299. No corporation hereafter formed shall purchase, locate, or hold property in any county in this

state without filing a copy of the copy of its articles of incorporation filed in the office of the secretary of state, duly certified by such secretary of state, in the office of the county clerk of the county in which such property is situated, within sixty days after such purchase or location is made. Every corporation now in existence, whether formed under the provisions of this code or not, must, within ninety days after the passage of this section, file such certified copy of the copy of its articles of incorporation in the office of the county clerk of every county in this state in which it holds any property (except the county where the original articles of incorporation are filed); and if any corporation hereafter acquire any property in any county other than that in which it now holds property, it must, within ninety days thereafter, file with the clerk of such county such certified copy of the copy of its articles of incorporation. The copies so filed with the several county clerks, and certified copies thereof, shall have the same force and effect in evidence as would the originals. Any corporation failing to comply with the provisions of this section shall not maintain or defend any action or proceeding in relation to such property, its rents, issues, or profits, until such articles of incorporation, and such certified copy of its articles of incorporation, and such certified copy of the copy of its articles of incorporation, shall be filed at the places directed by the general law and this section: *Provided*, That all corporations shall be liable in damages for any and all loss that may arise by the failure of such corporation to perform any of the foregoing duties within the time mentioned in this section: *And provided further*, That the said damages may be recovered in an action brought in any court of this state, of competent jurisdiction, by any party or parties suffering the same.

SEC. 2. This act shall take effect immediately.

CHAP. III.

AN ACT to amend the Penal Code by adding two new sections thereto, to be known as sections one hundred and seventy-eight and one hundred and seventy-nine, prohibiting the employment of Chinese by corporations. (Approved February 13, 1880; Penal Code, p. 1.)

SECTION 1. A new section is hereby added to the Penal Code, to be numbered section one hundred and seventy-eight:

SEC. 178. Any officer, director, manager, member, stockholder, clerk, agent, servant, attorney, employé, assignee, or contractor of any corporation now existing, or hereafter formed under the laws of this state, who shall employ, in any manner or capacity, upon any work or business of such corporation, any Chinese or Mongolian, is guilty of a misdemeanor, and is punishable by a fine of not less than one hundred nor more than one thousand dollars, or by imprisonment in the county jail of not less than fifty nor more than five hundred days, or by both such fine and imprisonment: *Provided*, That no director of a corporation shall be deemed guilty under this section who refuses to assent to such employment, and has such dissent recorded in the minutes of the board of directors.

1. Every person who, having been convicted for violating the provisions of this section, commits any subsequent violation thereof after such conviction is punishable as follows:

2. For each subsequent conviction such person shall be fined not less than five hundred nor more than five thousand dollars, or by imprisonment not less than two hundred and fifty days nor more than two years, or by both such fine and imprisonment.

SEC. 2. A new section is hereby added to the Penal Code, to be known as section one hundred and seventy-nine, and to read as follows:

SEC. 179. Any corporation now existing or hereafter formed under the laws of this state, that shall employ, directly or indirectly, in any capacity, any Chinese or Mongolian, shall be guilty of a misdemeanor, and upon conviction thereof shall for the first offense be fined not less than five hundred nor more than five thousand dollars, and upon the second conviction shall, in addition to said penalty, forfeit its charter and franchise and all its corporate rights and privileges, and it shall be the duty of the attorney-general to take the necessary steps to enforce such forfeiture.

SEC. 3. This act shall take effect immediately.

STATUTES OF 1881.

CHAP. LIII.

AN ACT to amend the Political Code of the state of California, relating to revenue, by adding a new section, to be known as section 3608 of said code, and by amending sections 3607, 3617, 3627, 3629, 3650, 3651, and 3652 of said code, and by repealing section 3640 of said code, all relative to revenue. (Approved March 7, 1881, p. 56.)

SECTION 1. Section three thousand six hundred and seven of the Political Code is hereby amended to read as follows:

SECTION 3607. All property in this state, not exempt under the laws of the United States, excepting growing crops, property used exclusively for public schools, and such as may belong to the United States, this state, or to

any county or municipal corporation within this state, is subject to taxation as in this code provided; but nothing in this code shall be construed to require or permit double taxation.

SEC. 2. A new section is hereby added to said code, to be known as section three thousand six hundred and eight, and to read as follows:

SECTION 3608. Shares of stock in corporations possess no intrinsic value over and above the actual value of the property of the corporation which they stand for and represent, and the assessment and taxation of such shares and also of the corporate property would be double taxation. Therefore, all property belonging to corporations shall be assessed and taxed, but no assessment shall be made of shares of stock, nor shall any holder thereof be taxed therefor.

SEC. 3. Section three thousand six hundred and seventeen of said code is hereby amended to read as follows:

SECTION 3617. Whenever the terms mentioned in this section are employed in this act they are employed in the sense hereafter affixed to them:

First. The term "property" includes moneys, credits, bonds, stocks, dues, franchises, and all other matters and things, real, personal, and mixed, capable of private ownership.

Second. The term "real estate" includes:

1. The possession of, claim to, ownership of, or right to the possession of land.
2. All mines, minerals, and quarries in and under the land, all timber belonging to individuals or corporations growing or being on the lands of the United States, and all rights and privileges appertaining thereto.

3. A mortgage, deed of trust, contract, or other obligation by which a debt is secured, when land is pledged for the payment and discharge thereof, shall, for the purpose of assessment and taxation, be deemed and treated as an interest in the land so pledged.

4. Improvements.

Third. The term "improvements" includes:

1. All buildings, structures, fixtures, fences, and improvements erected upon or affixed to the land.

* * * * *

Fourth. The term "personal property" includes everything which is the subject of ownership not included within the meaning of the term "real estate".

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CHAP. LXXII.

AN ACT to provide a state hospital and asylum for miners. (Approved March 14, 1881, p. 83.)

SECTION 1. There shall be erected, as soon as conveniently may be, upon some suitable site, to be determined and obtained as is hereinafter provided, a public hospital and asylum for the reception, care, medical and surgical treatment, and relief of the sick, injured, disabled, and aged miners, which shall be known as the "California State Miners' Hospital and Asylum".

SEC. 2. The governor shall nominate, and by and with the advice and consent of the senate, appoint five persons to serve as trustees of the said institution, who shall be a body politic and corporate, by the name and style of the "Trustees of the California State Miners' Hospital and Asylum", and shall manage and direct the concerns of the institution, and make all necessary by-laws and regulations, and shall have power to receive, hold, dispose of, and convey all real and personal property conveyed to them by gift, devise, or otherwise, for the use of said institution, and shall serve without compensation. Of those first appointed, two shall serve for two years and three for four years; and at the expiration of the respective terms, each class thereafter shall be appointed for four years. A vacancy in said board, from any cause, shall be filled by appointment by the governor, for the unexpired term.

SEC. 3. The said trustees shall have charge of the general interests of the institution; they shall appoint the superintendent, who shall be a skillful physician and surgeon, subject to removal or re-election no oftener than in periods of ten years, except by infidelity to the trust reposed in him, or for incompetency.

SEC. 4. The trustees, by and with the consent of the governor, shall make such by-laws and regulations for the government of the institution as shall be necessary; they shall appoint a treasurer, who shall give bonds to the people of the state of California for the faithful discharge of his duties; and they shall fix the compensation of all officers, assistants, and attachés who may be necessary for the just and economical administration of the affairs of said institution.

SEC. 5. Indigent miners shall be charged for medical attendance, surgical operations, board, and nursing, while residents in the hospital and asylum, no more than the actual cost; paying patients, whose friends can pay their expenses, and who are not chargeable upon townships and counties, shall pay according to the terms directed by the trustees.

SEC. 6. The several boards of supervisors of counties, or any constituted authority in the state having care and charge of any indigent, sick, or aged person or persons, if satisfactorily proven by them to have been miners, shall have authority to send to the "California State Miners' Hospital and Asylum" such persons, and they shall be severally

chargeable with the expenses of the care, maintenance, and treatment, and removal to and from the hospital and asylum of such patients.

SEC. 7. The trustees shall, annually, at such time as the governor may designate, report to him, for transmission to the legislature, such a statement as he may require as to the management of the said hospital and asylum.

SEC. 8. This act shall take effect immediately.

COLORADO.

GENERAL LAWS, COMPILATION OF 1877.

CHAP. LXVI.—MINES AND MINING-CLAIMS.

(Ter. Rev. Stats., Chapter LXII, p. 465.)

SECTION 1. The term claim, as used in the mining portions of this state, when applied to a lode shall be construed to mean one hundred feet of the length of such lode, surface measurement, of the entire width of such lode or crevice: *Provided*, That in any case where the regulations of any mining district have heretofore defined the term claim to mean other than as above defined, nothing in this chapter shall be so construed as to impair the rights of any person or persons holding claims under such regulations as may have been heretofore established by the people of the district in which such claim or claims are situated.

SEC. 2. Whenever any person or persons are engaged in bringing water into any portion of the mines, they shall have the right of way secured to them, and may pass over any claim, road, ditch, or other structure: *Provided*, The water be guarded so as not to interfere with prior rights.

SEC. 3. No person shall have the right to mine under any building or other improvement, unless he shall first secure the parties owning the same against all damages, except by priority of right.

SEC. 4. If any person or persons shall locate a tunnel-claim, for the purpose of discovery, he shall record the same, specifying the place of commencement and termination thereof, with the names of the parties interested therein.

SEC. 5. Any person or persons engaged in working a tunnel under the provisions of this chapter shall be entitled to two hundred and fifty feet each way from said tunnel, on each lode so discovered: *Provided*, They do not interfere with any vested rights. If it shall appear that claims have been staked off and recorded prior to the record of said tunnel, on the line thereof, so that the required number of feet cannot be taken near said tunnel, they may be taken upon any part thereof where the same may be found vacant; and persons working said tunnel shall have the right of way through all lodes which may lie in its course.

SEC. 6. When it shall appear that one lode crosses, runs into, or unites with any other lode, the priority of record shall determine the rights of claimants: *Provided*, That in no case where it appears that two lodes have crossed one another, shall the priority of record give any person the privilege of turning off from the crevice or lode which continues in the same direction of the main lode upon which he or they may have recorded their claim or claims, but such person or persons shall, at all times, follow the crevice running nearest in the general direction of the main lode upon which he or they may have recorded their claim or claims.

SEC. 7. Where two crevices are discovered at a distance from each other, and known by different names, and it shall appear that the two are one and the same lode, the persons having recorded on the first discovered lode shall be the legal owners.

SEC. 8. In no case shall any person or persons be allowed to flood the property of another person with water, or wash down the tailings of his or their sluice upon the claim or property of other persons, but it shall be the duty of every miner to take care of his own tailings upon his own property, or become responsible for all damages that may arise therefrom.

SEC. 9. Every miner shall have the right of way across any and all claims for the purpose of hauling quartz from his claim.

SEC. 10. All claims taken up and recorded by persons who have, since the recording of the same, enlisted in the army of the United States or the volunteer force of this state, shall be deemed and held as real estate for a period of two years from the expiration of their term of enlistment or discharge from service; after which time, if not represented by the said soldier or soldiers, all such claims shall be forfeited to any person who may take up the same.

SEC. 11. A copy of all the records, laws, and proceedings of each mining district, so far as they relate to lode-claims, shall be filed in the office of the county clerk of the county in which the district is situated, within the boundaries of the district attached to the same, which shall be taken as evidence in any court having jurisdiction in the matters concerned in such record or proceeding; and all such records of deeds and conveyances, laws, and proceedings of any mining district heretofore filed in the clerk's office of the proper county, and transcripts thereof duly certified, whether such record relate to gulch-claims, lode-claims, building lots, or other real estate, shall have the like effect as evidence.

AN ACT for the relief of pre-emptors and locators of veins or lodes of quartz or other rock on the mineral lands of the public domain. (Sess. Laws, 1870, p. 84.)

SECTION 1. No statutory law of Colorado territory shall be so construed as to prohibit the location of three thousand feet or less on any vein or lode in the manner prescribed in section four of an act of Congress approved July twenty-six, one thousand eight hundred and sixty-six, entitled "An act granting the right of way to ditch and canal owners over the public lands, and for other purposes", nor to prejudice any rights to obtain patents for the same, as provided in said act.

SEC. 2. All pre-emptions and locations of three thousand feet or less, on any vein, lode, or ledge, made since the passage of the said act of Congress, and conforming to the same, shall be good and valid.

SEC. 3. Nothing in this act shall be so construed as to prejudice any rights acquired prior to the passage of this act.

* * * * *

AN ACT concerning mines. (Sess. Laws, 1874, p. 185; Gen. Laws, p. 629.)

SECTION 1. The length of any lode-claim hereafter located may equal but not exceed fifteen hundred feet along the vein.

SEC. 2. The width of lode-claims hereafter located in Gilpin, Clear Creek, Boulder, and Summit counties shall be seventy-five feet on each side of the center of the vein or crevice, and in all other counties the width of the same shall be one hundred and fifty feet on each side of the center of the vein or crevice: *Provided*, That hereafter any county may, at any general election, determine upon a greater width, not exceeding three hundred feet on each side of the center of the vein or lode, by a majority of the legal votes cast at said election, and any county, by such vote at such election, may determine upon a less width than above specified.

SEC. 3. The discoverer of a lode shall, within three months from date of discovery, record his claim in the office of the recorder of the county in which such lode is situated, by a location certificate which shall contain:

First. The name of the lode.

Second. The name of the locator.

Third. The date of location.

Fourth. The number of feet in length claimed on each side of the center of discovery shaft.

Fifth. The general course of the lode as near as may be.

SEC. 4. Any location certificate of a lode-claim which shall not contain the name of the lode, the name of the locator, the date of location, the number of lineal feet claimed on each side of the discovery shaft, the general course of the lode, and such description as shall identify the claim with reasonable certainty, shall be void.

SEC. 5. Before filing such location certificate, the discoverer shall locate his claim by:

First. Sinking a discovery shaft upon the lode to the depth of at least ten feet from the lowest part of the rim of such shaft at the surface, or deeper if necessary, to show a well-defined crevice.

Second. By posting at the point of discovery, on the surface, a plain sign or notice containing the name of the lode, the name of the locator, and the date of discovery.

Third. By marking the surface-boundaries of the claim.

SEC. 6. Such surface-boundaries shall be marked by six substantial posts hewed or marked on the side or sides which are in toward the claim, and sunk in the ground, to wit: one at each corner and one at the center of each side-line. Where it is practically impossible on account of bed-rock to sink such posts, they may be placed in a pile of stones, and where in marking the surface-boundaries of a claim any one or more of such posts shall fall by right upon precipitous ground, where the proper placing of it is impracticable or dangerous to life or limb, it shall be legal and valid to place any such post at the nearest practicable point, suitably marked to designate the proper place.

SEC. 7. Any open cut, cross-cut, or tunnel which shall cut a lode at the depth of ten feet below the surface shall hold such lode the same as if a discovery shaft were sunk thereon, or an adit of at least ten feet in along the lode, from the point where the lode may be in any manner discovered, shall be equivalent to a discovery shaft.

SEC. 8. The discoverer shall have sixty days from the time of uncovering or disclosing a lode to sink a discovery shaft thereon.

SEC. 9. The location or location certificate of any lode-claim shall be construed to include all surface-ground within the surface-lines thereof, and all lodes and ledges throughout their entire depth the top or apex of which lies inside of such lines extended downward, vertically, with such parts of all lodes or ledges as continue by dip beyond the side-lines of the claim, but shall not include any portion of such lodes or ledges beyond the end-lines of the claim or the end-lines continued, whether by dip or otherwise, or beyond the side-lines in any other manner than by the dip of the lode.

SEC. 10. If the top or apex of a lode in its longitudinal course extends beyond the exterior lines of the claim at any point on the surface, or as extended vertically downward, such lode may not be followed in its longitudinal course beyond the point where it is intersected by the exterior lines.

SEC. 11. All mining-claims now located, or which may be hereafter located, shall be subject to the right of way of any ditch or flume for mining purposes, or of any tramway or pack-trail, whether now in use or which may be hereafter laid out across any such location: *Provided, always,* That such right of way shall not be exercised against any location duly made and recorded, and not abandoned prior to the establishment of the ditch, flume, tramway, or pack-trail, without consent of the owner, except by condemnation as in case of land taken for public highways. Parol consent to the location of any such easement, accompanied by the completion of the same over the claim, shall be sufficient without writings: *And provided further,* That such ditch or flume shall be so constructed that the water from such ditch or flume shall not injure vested rights by flooding or otherwise.

SEC. 12. When the right to mine is in any case separate from the ownership or right of occupancy to the surface, the owner or rightful occupant of the surface may demand satisfactory security from the miner, and, if it be refused, may enjoin such miner from working until such security is given. The order for injunction shall fix the amount of bond.

SEC. 13. If at any time the locator of any mining-claim heretofore or hereafter located, or his assigns, shall apprehend that his original certificate was defective, erroneous, or that the requirements of the law had not been complied with before filing, or shall be desirous of changing his surface-boundaries, or of taking in any part of an overlapping claim which has been abandoned, or in case the original certificate was made prior to the passage of this law and he shall be desirous of securing the benefits of this act, such locator, or his assigns, may file an additional certificate, subject to the provisions of this act: *Provided,* That such relocation does not interfere with the existing rights of others at the time of such relocation, and no such relocation or other record thereof shall preclude the claimant or claimants from proving any such title or titles as he or they may have held under previous location.

SEC. 14. Within six months after any set time or annual period allowed for the performance of labor, or making improvements upon any lode-claim, the person on whose behalf such outlay was made, or some person for him, shall make and record an affidavit, in substance as follows:

STATE OF COLORADO;

— County, ss:

Before me, the subscriber, personally appeared ———, who, being duly sworn, saith that at least ——— dollars' worth of work or improvements were performed or made upon (here describe claim or part of claim), situate in ——— mining district, county of ———, state of Colorado. Such expenditure was made by or at the expense of ———, owners of said claim, for the purpose of holding said claim.

(Jurat.)

(Signature.) ———.

And such signature shall be *prima-facie* evidence of the performance of such labor.

SEC. 15. The relocation of abandoned lode-claims shall be by sinking a new discovery shaft and fixing new boundaries in the same manner as if it were the location of a new claim; or the relocater may sink the original discovery shaft ten feet deeper than it was at the time of abandonment, and erect new or adopt the old boundaries, renewing the posts if removed or destroyed. In either case a new location stake shall be erected. In any case, whether the whole or part of an abandoned claim is taken, the location certificate may state that the whole or any part of the new location is located as abandoned property.

SEC. 16. No location certificate shall claim more than one location, whether the location be made by one or several locators. And if it purport to claim more than one location, it shall be absolutely void except as to the first location therein described, and if they are described together, or so that it cannot be told which location is first described, the certificate shall be void as to all.

AN ACT concerning mines. (Sess. Laws, 1874, p. 190; Gen. Laws, p. 633.)

SECTION 1. In all actions pending in any district court of this state wherein the title or right of possession to any mining-claim shall be in dispute, the said court, or the judge thereof, may, upon application of any of the parties to such suit, enter an order for the underground as well as surface survey of such part of the property in dispute as may be necessary to a just determination of the question involved. Such order shall designate some competent surveyor not related to any of the parties to such suit, or in anywise interested in the result of the same, and upon the application of the party adverse to such application the court may also appoint some competent surveyor, to be selected by such adverse applicant, whose duty it shall be to attend upon such survey and observe the method of making the same; said second surveyor to be at the cost of the party asking therefor. It shall also be lawful in such order to specify the names of witnesses named by either party, not exceeding three on each side, to examine such property, who shall hereupon be allowed to enter into such property and examine the same. Said court or the judge thereof may also cause the removal of any rock, débris, or other obstacle in any of the drifts or shafts of said property, when such removal is shown to be necessary to a just determination of the questions involved: *Provided, however,* That no such order shall be made for survey and inspection except in open court or in chambers,

upon notice of application for such order of at least six days, and not then except by agreement of parties, or upon the affidavit of two or more persons that such survey and inspection is necessary to the just determination of the suit, which affidavits shall state the facts in such case and wherein the necessity for survey exists; nor shall such order be made unless it appears that the party asking therefor had been refused the privilege of survey and inspection by the adverse party.

SEC. 2. In all cases where two or more persons shall associate themselves together for the purpose of obtaining the possession of any lode, gulch, or placer-claim then in the actual possession of another, by force and violence, or threats of violence, or by stealth, and shall proceed to carry out such purpose by making threats against the party or parties in possession, or who shall enter upon such lode or mining-claim for the purpose aforesaid, or who shall enter upon or into any lode, gulch, placer claim, quartz-mill, or other mining property, or not being upon such property, but within hearing of the same, shall make any threats, or make use of any language, signs, or gestures, calculated to intimidate any person or persons at work on said property from continuing to work thereon or therein, or to intimidate others from engaging to work thereon or therein, every such person so offending shall, on conviction thereof, be fined in a sum not to exceed two hundred and fifty dollars, and be imprisoned in the county jail not less [than] thirty days nor more than six months, such fine to be discharged either by payment or by confinement in said jail until such fine is discharged, at the rate of two dollars and fifty cents per day. On trials under this section proof of a common purpose of two or more persons to obtain possession of property as aforesaid, or to intimidate laborers as above set forth, accompanied or followed by any of the acts above specified by any of them, shall be sufficient evidence to convict any one committing such acts, although the parties may not be associated together at the time of committing the same.

SEC. 3. If any person or persons shall associate and agree to enter, or attempt to enter, by force of numbers, and the terror such number is calculated to inspire, or by force and violence, or by threats of violence, against any person or persons in the actual possession of any lode, gulch, or placer-claim, and upon such entry or attempted entry any person or persons shall be killed, said persons, and all and each of them so entering or attempting to enter, shall be deemed guilty of murder in the first degree, and punished accordingly. Upon the trials of such cases any person or parties cognizant of such entry, or attempted entry, who shall either be present, aiding and assisting, or shall by promise of money, property, influence, assistance, or other thing of value, in anywise encourage such entry or attempted entry, shall be deemed a principal in the commission of said offense.

AN ACT to provide for the drainage of mines, and to regulate the liabilities of miners, mine owners, and mill men in certain cases, and to repeal all territorial acts on the subject. (Approved March 16, 1877; Gen. Laws, p. 635.)

Be it enacted by the general assembly of the state of Colorado. SECTION 1. Whenever contiguous or adjacent mines upon the same or upon separate lodes have a common ingress of water, or, from subterraneous communication of the water, have a common drainage, it shall be the duty of the owners, lessees, or occupants of each mine so related, to provide for their proportionate share of the drainage thereof.

SEC. 2. Any parties so related, failing to provide as aforesaid for the drainage of the mines owned or occupied by them, thereby imposing an unjust burden upon neighboring mines, whether owned or occupied by them, shall pay, respectively, to those performing the work of drainage their proportion of the actual and necessary cost and expense of doing such drainage, to be recovered by an action in any court of competent jurisdiction.

SEC. 3. It shall be lawful for all mining corporations or companies, and all individuals engaged in mining, having thus a common interest in draining such mines, to unite for the purpose of effecting the same, under such common name and upon such terms and conditions as may be agreed upon; and every such association, having filed a certificate of incorporation, as provided by law, shall be deemed a corporation, with all the rights, incidents, and liabilities of a body corporate, so far as the same may be applicable.

SEC. 4. Failing to mutually agree as indicated in the preceding section, for drainage jointly, one or more of the said parties may undertake the work of drainage, after giving reasonable notice; and should the remaining parties then fail, neglect, or refuse to unite in equitable arrangements for doing the work or sharing the expense thereof, they shall be subject to an action therefor as already specified, to be enforced in any court of competent jurisdiction.

SEC. 5. When an action is commenced to recover the cost and expenses for draining a lode or mine, it shall be lawful for the plaintiff to apply to the court, if in session, or to the judge thereof in vacation, for an order to inspect and examine the lodes or mines claimed to have been drained by the plaintiff; or some one for him shall make affidavit that such inspection or examination is necessary for a proper preparation of the case for trial. The court or judge shall grant an order for the underground inspection and examination of the lode or mines described in the petition. Such order shall designate the number of persons, not exceeding three, besides the plaintiff or his representative, to examine and inspect such lode and mines, and take the measurement thereof, relating the amount of water drained from the lode or mine, or the number of fathoms of ground mined and worked out of the

lode or mines claimed to have been drained, the cost of such examination and inspection to be borne by the party applying therefor. The court or judge shall have power to cause the removal of any rock, debris, or other obstacles in any lode or vein, when such removal is shown to be necessary to a just determination of the question involved: *Provided*, That no such order for inspection and examination shall be made, except in open court or at chambers, upon notice of application for such order of at least three days, and not then except by agreement of parties, nor unless it appears that the plaintiff has been refused the privilege of making the inspection and examination by the defendant, his or their agent.

SEC. 6. That hereafter, when any person or persons or corporation shall be engaged in mining or milling, and in the prosecution of such business shall hoist or raise water from mines or natural channels, and the same shall flow away from the premises of such persons or corporations to any natural channel or gulch, the same shall be considered beyond the control of the party so hoisting or raising the same, and may be taken and used by other parties the same as that of natural water-courses.

SEC. 7. After any such water shall have been so raised, and the same shall have flown into any such natural channel, gulch, or draw, the party so hoisting or raising the same shall only be liable for injury caused thereby, in the same manner as riparian owners along natural water-courses.

SEC. 8. The provisions of this act shall not be construed to apply to incipient or undeveloped mines, but to those only which shall have been opened and shall clearly derive a benefit from being drained.

SEC. 9. In trial of cases arising under this act the court shall admit evidence of the normal stand or position of the water while at rest in an idle mine; also, the observed prevalence of a common water-level or a standing water-line in the same or separate lodes; also, the effect (if any) the elevating or depressing the water by natural or mechanical means in any given lode has upon elevating or depressing the water in the same, contiguous, or separate lodes or mine; also, the effect which draining or ceasing to drain any given lode or mine had upon the water in the same or contiguous or separate lodes or mines, and all other evidence which tends to prove the common ingress or subterraneous communication of water into the same lode or mine, or contiguous or separate lodes or mines.

CHAP. XIV.—COAL-MINES.

AN ACT to compel owners of coal-mines to fence their slack piles and abandoned pits. (Approved February 2, 1877; Gen. Laws, p. 126.)

SECTION 1. That the owner or operators of coal-mines from which fine or slack coal is taken and piled upon the surface of the ground, in such quantities as to produce spontaneous combustion, shall fence said ground in such manner as to prevent loose cattle or horses from having access to such slack piles.

SEC. 2. All owners of lands having abandoned coal pits or shafts on the same, of sufficient depth to endanger the life of cattle, horses, or other stock, shall fence or fill said pits or shafts in such a manner as to afford permanent protection to all such stock endangered thereby.

SEC. 3. Every person violating sections one (1) and two (2) of this act shall be deemed guilty of a misdemeanor, and shall be fined in a sum not less than twenty (20) dollars nor more than one hundred (100) dollars, to be collected as other fines are collected, and shall be further liable to any party injured thereby in the amount of the actual injury sustained.

CHAP. XV.—COMMISSIONER OF MINES.

AN ACT to establish the office of commissioner of mines, and to repeal an act entitled "An act to establish a territorial assay office", approved January 10, 1868; also "An act to establish assay offices in Colorado territory", approved February 8, 1872; also "An act to establish assay offices in Colorado territory", approved February 10, 1874; also "An act to amend an act entitled 'An act to establish assay offices in Colorado territory'", approved February 11, 1876. (Approved April 13, 1877; Gen. Laws, p. 126.)

NOTE.—See act approved February 8, 1879, Stats., p. 158; also act approved April 7, 1877, Gen. Laws, p. 803.

SECTION 1. The production and reduction of ores being a leading industry of the people of Colorado, and being pursuits in which all are interested and from which all derive benefit, and reliable statistical information of values concerning mines and milling being only accessible through the ministerial powers of the state, therefore, in accordance with the provisions of section 1 of article 16 of the constitution of the state of Colorado, the office of commissioner of mines is hereby established.

SEC. 2. There shall be appointed by the governor of the state, with the advice and consent of the senate, a commissioner of mines, who shall be a person known to be competent, theoretically and practically acquainted with mining and the treatment of ores, whose term of office shall be four (4) years, unless sooner removed for good cause, and whose office shall be at the state school of mines, at Golden: *Provided*, That when a vacancy shall exist in the foregoing office, and the senate shall not be in session, the governor shall have power to appoint said commissioner of mines, who shall perform the duties and receive the compensation of such office, as hereafter

provided, until the next session of the general assembly, when the governor shall submit such appointment to the senate for their approval or rejection.

SEC. 3. The commissioner of mines shall have a seal bearing the words "Commissioner of Mines of the State of Colorado", which shall be kept by him expressly for the use of his office, and said seal shall be affixed to official documents only.

SEC. 4. It shall be the duty of the commissioner of mines to collect reliable statistical information concerning the production and reduction of all precious or useful minerals in this state; to examine the different processes for the treatment of ores used in this state, and to inquire into the merits of other processes alleged or demonstrated by practical experience elsewhere to be the most successful; to inquire into the relative merits of the various inventions, machines, mechanical contrivances, now in use, or which may be hereafter introduced, for mining and metallurgical purposes.

SEC. 5. The commissioner of mines shall have power and authority, either in person or by a duly-appointed deputy, to visit and examine any mine, or piece of mining ground, for the purpose of ascertaining the condition of the same, in regard to its safety and means of egress from the same, and, for this purpose, shall have access to any and all levels, stopes, tunnels, winzes, shafts, and shaft power of any mine for the purpose of said inspection.

SEC. 6. Whenever the commissioner of mines, or his duly-authorized deputy, shall receive a formal complaint in writing, signed by two or more persons, setting forth that the mine in which they are employed is dangerous in any respect, he shall visit and examine such mine, and if from such personal examination he shall ascertain that the facilities for egress are insufficient, or that from want of timbering, scaling, or slacking of the ground in such mines so visited, or from other causes, or that the timbers, ladders, ladder-ways, pentices, or plats in any such mine are in a dangerous condition, it shall become his duty to notify the owners, lessor, or lessee thereof, such notice to be in writing, and to be served by copy on any person or persons, in the same manner as provided by law for the serving of legal notices or process; said notice shall state in what particular such egress is insufficient, or in what particulars timbers, ladders, ladder-ways, pentices, or plats are dangerous, and shall require the necessary changes to be made without unnecessary delay. And in case any criminal or civil procedure at law against the party or parties so notified, on account of loss of life or bodily injury sustained by any employé subsequent to such notice, and in consequence of a neglect to obey the commissioner's requirement, a certified copy of the notice served by the commissioner shall be *prima-facie* evidence of the culpable negligence of the party or parties so complained of.

SEC. 7. It shall be the duty of the commissioner of mines to keep on file in his office reports and papers, which may be published from time to time, and all correspondence on the subject of mining and milling and reducing ores, with a view to eliciting and collecting such information for the public use; he shall address circulars to corporations and individuals engaged in mining, and shall correspond with the school of mines in other states and elsewhere in reference to mining, metallurgy, etc.

SEC. 8. It shall be the duty of said commissioner to collect, arrange, and classify mineral and geological specimens found in this state, and to keep the same in a department of reference and study in the state school of mines; he shall also, by analysis or assay, determine the character and value of the same.

SEC. 9. It shall be the duty of the commissioner of mines to assay, or cause to be assayed and analyzed in the laboratory of the state school of mines, specimens of the different ores, minerals, metals, coals, and mineral water mined or obtained in this state, whenever requested so to do; he shall keep a permanent record of the same, giving the name of the county, mining district, lode, ledge, deposit, vein, or spring, whenever obtained, together with the value and contents thereof; for such assay or analysis the commissioner of mines shall charge for each and every analysis, assay, or test, as follows:

For silver only	\$1 00
For gold and silver	2 00
For zinc, lead, or copper	2 00
For analysis of coal	10 00
For analysis of ores, from \$5 to \$10	10 00
For analysis of minerals, from \$3 to \$10	10 00
For analysis of mineral water, not more than	30 00

He shall keep a correct account of all moneys received from such assays or analysis, and the sum shall be paid by him into the state treasury monthly, and used solely for the fund of the commissioner of mines and state school of mines, and in case of the failure or neglect of the commissioner of mines to keep the record, or to pay into the state treasury all money received by him for analysis, assays, and tests, as required by this section, he shall be deemed guilty of a misdemeanor, and may, upon conviction thereof, be punished by fine not to exceed [five hundred dollars] \$500, said fine to be recovered in any court of competent jurisdiction, and paid into the state treasury for the benefit of the school of mines.

SEC. 10. It shall be the duty of the commissioner of mines, at least once in each year, either in person or by a duly-authorized deputy, to visit each mining county in the state, and examine as many of the mines in the different counties as practicable.

SEC. 11. The commissioner of mines shall report to the governor of the state, on or before the fifteenth of January in each year, for the year ending on the thirty-first day of December of the preceding year, which report shall contain all statements of accounts, moneys received and expended, statistics, and other information which may tend to promote the development of the mineral resources of the state.

SEC. 12. He shall, at least once during every six months after the date of his appointment, examine carefully the principal coal-mines being worked in this state, as to the safety of the workings, the condition of the air in the mines, and the best means of ventilation; the amount of coal excavated, and whether children under fourteen years of age are permitted to work in such coal-mines; which facts he shall faithfully report, with recommendations, in his annual report; and for the purpose of making full and thorough examinations he shall have access to all workings in any coal-mine owned or worked by any corporation or individuals in this state, and is hereby authorized and required to inspect and examine such mine in all its workings. To facilitate such examination, all corporations and individuals working coal-mines in the state shall keep a true and complete plat of all the workings of such coal-mines, with explanatory notes, showing the method of ventilation in such mine, which plat shall be corrected every four months; any agent or superintendent of any corporation, or individual working coal-mines in this state, who shall refuse to permit said commissioner of mines to examine such mine, or who shall neglect to keep a correct plat of the workings of such mine, or who shall employ or permit to be employed in such coal-mine any children under fourteen years of age, shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine not exceeding five hundred (500) dollars, or by imprisonment not exceeding one year for each offense.

SEC. 13. The commissioner of mines shall devote his entire time to the duties of his office, and shall receive a salary of three thousand (3,000) dollars per annum, and with the consent of the governor of the state shall appoint a deputy commissioner of mines, at a salary not exceeding twelve hundred (1,200) dollars per annum; that on and after the year 1877 the salary of the commissioner and deputy commissioner of mines and assistant, as well as the contingent expenses of the same, shall be paid out of the fund provided for the support of the school of mines. The deputy commissioner shall be under the direction and control of the commissioner, who may remove him for good cause. He shall also appoint as assistant commissioner of mines the professor in charge of the school of mines at Golden, at a salary of seven hundred (700) dollars per annum, in addition to his pay as said professor. The duties of the assistant commissioner shall be to act as deputy commissioner in the absence of the commissioner, to take charge of the state cabinet, and to make the assays and analyses required in sections eight (8) and nine (9) of this act.

SEC. 14. The above salaries to be paid monthly, and contingent expenses to be paid on presentation of vouchers certified to under oath by the commissioner of mines; and the auditor shall draw his warrants accordingly: *Provided*, That the amount of contingent expenses for any one year shall not exceed two thousand three hundred (2,300) dollars.

SEC. 15. The different acts to establish assay offices in the territory of Colorado, approved January 10, 1868, and February 11, 1874, and 1876, also that part of section two (2) of "An act to provide for the several expenses of the years 1876 and 1877, approved February 11, 1876, relating to the appropriation for paying the salaries of the territorial assayers", and all other acts and parts of acts inconsistent with this act, are hereby repealed.

SEC. 16. All property belonging to the state that is in the possession of the territorial assayers shall be turned over to the commissioner of mines.

NOTE.—This chapter (XV) repealed by act of 1881. (Stats., p. 62.)

CHAP. XIX.—CORPORATIONS.

AN ACT to provide for the formation of corporations. (Approved March 14, 1877; Gen. Laws, p. 143.)

SECTION 1. That corporations may be formed under the provisions of this act for any lawful purpose, but the corporate name of every corporation hereafter organized (except banks and corporations not for pecuniary profit) shall commence with the word "the" and end with the word "corporation", "company", "association," or "society", and shall indicate by its corporate name the business to be carried on by said corporation.

SEC. 2. At any time hereafter any three or more persons (except as hereinafter provided) who may desire to form a company for the purpose of carrying on any lawful business, may make, sign, and acknowledge, before some officer competent to take the acknowledgments of deeds, certificates in writing, in which shall be stated the corporate name of said company, the objects for which the company shall be created, the amount of the capital stock of said company, the term of its existence, not to exceed twenty years, except as hereinafter provided, save and except to make perpetual, corporations insuring lives of individuals, which have been heretofore or may be hereafter organized under the laws of Colorado, the number of shares of which the said stock shall consist, the number of directors or trustees of said company, and the names of those who shall manage the affairs of such company for the first year of its existence, the name of the town, or place, and the county in which the principal office of the company shall be kept, and the name of the county or counties in which the principal business shall be carried on; and they shall

make as many such certificates as may be necessary, so as to file one in the office of the recorder of deeds in each of such county or counties and one in the office of the secretary of state; and when any company shall be created under the laws of this state for the purpose of carrying on part of its business beyond the limits thereof, such certificate shall state that fact, and shall also state the name of the town and county in this state in which the principal office of said company shall be kept, and shall state the name of the county in which the principal business of such company is to be carried on within this state.

SEC. 3. When the certificates shall have been filed as aforesaid, the secretary of state shall record and carefully preserve the same in his office, and a copy thereof, duly certified by the secretary of state under the great seal of the state of Colorado, shall be evidence of the existence of such company, but no certificate shall be filed or received for two corporations bearing the same name.

SEC. 4. Corporations formed under this act shall be bodies corporate and politic in fact and in name, by the name stated in such certificate, and by that name have succession for the period for which they are organized; may, in any court of law or equity in this state, sue and be sued; may have a common seal, which they may alter or renew at pleasure, by filing an impression of the same in the office of the secretary of state; may own, possess, and enjoy so much real and personal estate as shall be necessary for the transaction of their business, whether acquired by purchase, grant, devise, gift, or otherwise, and may from time to time sell and dispose of the same or any part thereof when not required for the use of the corporation. They may borrow money and pledge their franchises and property, both real and personal, to secure the payment thereof; and may have and exercise all the powers necessary and requisite to carry into effect the objects for which they may be formed, as named in their certificate of incorporation.

SEC. 5. The shares of stock shall not be less than ten (10) nor more than one hundred (100) dollars each, and shall be deemed personal property and transferable as such in the manner provided by the by-laws; and subscriptions therefor shall be made payable to the corporation, and shall be payable in such installments and at such time or times as shall be determined by the directors or trustees; and an action may be maintained in the name of the corporation to recover any installment which shall remain due and unpaid for the period of twenty (20) days after personal demand therefor, or, in cases where personal demand is not made, within thirty (30) days after a written or printed demand has been deposited in the post-office properly addressed to the post-office address of such delinquent stockholder. The directors or trustees may by by-laws prescribe for a forfeiture or sale of stock on failure to pay the installments or assessments that may from time to time become due, but no forfeiture of stock, or of the amounts paid thereon, shall be declared as against any estate, or against any stockholder, before demand shall have been made for the amount due thereon, either in person or by a written or printed notice duly mailed to the last known address of such stockholder, at least thirty (30) days prior to the time when such forfeiture is to take effect: *Provided*, That the proceeds of any sale over and above the amount due on said shares shall be paid to the delinquent stockholder.

SEC. 6. The corporate powers shall be exercised by a board of directors or trustees of not less than three nor more than thirteen, who shall respectively be stockholders in said company, and who shall (except the first year) be annually elected by the stockholders, at such time and place as shall be directed by the by-laws of the company; and public notice of the time and place of holding such elections shall be published, not less than ten days previous thereto, in the newspaper printed nearest to the place where the operations of the said company shall be carried on, and the election shall be made by such of the stockholders as shall attend for that purpose, either in person or by proxy: *Provided*, A majority of the stock is represented. If a majority of the stock shall not be represented, such meeting may be adjourned by the stockholders present for a period not exceeding sixty days. All elections shall be by ballot, and each stockholder shall be entitled to as many votes as he owns shares of stock in the said company; and the persons receiving the greatest number of votes shall be directors or trustees, who shall hold their offices until their successors are elected and qualified, and when any vacancy shall happen among the directors or trustees, by death, resignation, or otherwise, it shall be filled for the remainder of the year as shall be provided by the by-laws of said company.

SEC. 7. In case it should happen at any time that an election of directors or trustees shall not be held on the day designated by the by-laws of said company, when it ought to have been held, the company for that reason shall not be dissolved, but it shall be proper to elect such directors or trustees on any subsequent day as shall be prescribed by the by-laws.

SEC. 8. The directors or trustees shall elect one of their number to be president, and may elect or appoint such subordinate officers as the company may by its by-laws designate, and such subordinate officers shall, if required by the company, give security for the faithful discharge of their official duties.

SEC. 9. The stockholders of any corporation formed under the provisions of this act, or the directors or trustees, if the certificate of incorporation so provide, shall have power to make such prudential by-laws as they deem proper for the management of the affairs of the company, not inconsistent with the laws of this state, for the purpose of carrying on all kinds of business within the objects and purpose of such company.

SEC. 10. It shall not be lawful for such corporations to use any of their funds for the purchase of stock in their own company or corporation, except such as may be forfeited from the non-payment of assessments thereon, except as hereinafter provided.

SEC. 11. Each stockholder shall be liable for the debts of the corporation to the extent of the amount that may be unpaid upon the stock held by him, to be collected in the manner herein provided. Whenever any action is brought to recover any indebtedness against the corporation, it shall be competent to proceed against any one or more stockholders at the same time to the extent of the balance unpaid by such stockholders upon the stock owned by them respectively, whether called in or not, as in cases of garnishment.

SEC. 12. The president and a majority of the directors or trustees, within sixty days after the payment of the last installment of the capital stock, so fixed and limited by the company, shall make a certificate stating the amount of the capital so fixed and paid in, which certificate shall be signed and sworn to by the president and a majority of the directors or trustees, and they shall, within the said sixty days, record the same in the office of the secretary of state, and a copy in the office of the recorder of deeds of the county wherein the business of the said company is carried on.

NOTE.—Section 12 amended by act approved February 8, 1879, Session Laws, p. 38. See also further amendment of this act by act above referred to.

SEC. 13. It shall be the duty of the directors or trustees of every corporation, except railroad and telegraph companies, to cause to be kept at its principal office or place of business in this state correct books of account of all its business, and any stockholder in such corporation shall have the right, at all reasonable times, to inspect and examine all the books, accounts, and papers of the corporation, and shall have the right, as aforesaid, to demand of any officer, clerk, cashier, or agent of any such corporation having in his control or custody any such books, accounts, or papers as such stockholder may desire to examine or inspect; and upon such demand being made in writing, every such officer, clerk, cashier, or agent shall be bound to produce such books, accounts, and papers to such stockholder, and afford due opportunity to examine and inspect the same; and such stockholders shall have the right to take copies or make extracts therefrom, but shall not remove from the office of the corporation any such books, accounts, and papers. In case of refusal or neglect by any such officer, clerk, cashier, or agent to exhibit the same, or to allow the same to be inspected, and copies or extracts to be taken therefrom by any stockholder making such request, or who shall secrete, conceal, or destroy any books, accounts, or papers, or who shall prevent, or endeavor to prevent, a full inspection of the same, shall be deemed guilty of a misdemeanor, and be liable to a penalty of two hundred dollars, or such less sum as a court or jury may find, to be recovered by action of debt, at suit of the person aggrieved, against the person offending, in the district court of the county where the principal office of such corporation is located.

SEC. 14. All assessments or installments of the stock of any stock corporation shall be levied by the directors or trustees in accordance with the provisions of the by-laws, except as hereinafter provided; but any assessments or installments required to be paid shall be levied *pro rata* upon all shares of such stock, except as hereinafter provided.

SEC. 15. The directors or trustees of any corporation may purchase mines, manufactories, and other property necessary for their business, and issue stock to the amount of the value thereof in payment therefor; and the stock so issued shall be declared and taken to be full-paid stock and not liable to any further calls or assessments, except as hereinafter provided; neither shall the stockholders thereof be liable to any further payments under the provisions of section eleven (11) of this act, but in all statements and reports of the company this stock shall not be stated or reported as being issued for cash paid in to the company, but shall be reported in this respect according to the facts.

SEC. 16. Every such corporation shall annually, within sixty days from the first day of January, make a report which shall state the amount of its capital and the proportion actually paid in, and the amount of existing debts, which report shall be signed by the president and shall be verified by the oath of the president or secretary of said company, under its corporate seal, and filed in the office of the recorder of deeds of the county where the business of the company shall be carried on, and if any such corporation shall fail so to do, unless the capital stock of said corporation has been fully paid in and a certificate made and filed as provided in section twelve (12) of this act, all the directors or trustees of the company shall be jointly and severally liable for all the debts of the company that shall be contracted during the year next preceding the time when such report should by this section have been made and filed, and until such report shall be made.

SEC. 17. If the directors, trustees, or other officers or agents of any corporation shall declare and pay any dividend when such corporation is insolvent, or any dividend the payment of which would render it insolvent, or which would diminish the amount of its capital stock, all directors, trustees, agents, or officers assenting thereto shall be jointly and severally liable for all debts of such corporation then existing, and for all that shall thereafter be contracted while the capital remains so diminished.

SEC. 18. The by-laws of every corporation shall provide for the calling of meetings of the directors or trustees, and when such directors or trustees shall be present at any meeting, however called or notified, or shall sign a written consent thereto on the record of such meeting, the acts of such meeting shall be as valid as if called and notified: *Provided*, That unless it shall be stated in the certificate of incorporation that meetings of the directors or trustees may be held beyond the limits of this state, or unless such meeting was authorized or its acts ratified by

a vote of a majority of the stockholders at a regular meeting, the action of any meeting held beyond the limits of this state shall be void.

SEC. 19. If any certified report or statement made or public notice given by the officers of any corporation shall be false in any material representation, all the officers who shall have signed the same, knowing it to be false, shall be jointly and severally liable for all damages arising therefrom.

SEC. 20. No person holding stock in any corporation as executor, administrator, conservator, guardian, or trustee, and no person holding such stock as collateral security, shall be personally subject to any liability as stockholder of such corporation, but the person pledging such stock shall be considered as holding the same, and shall be liable as a stockholder accordingly, and the estate and funds in the hands of such executor, administrator, conservator, guardian, or trustee shall be liable in like manner and to the same extent as the testator or intestate, or the ward or person interested in such trust funds would have been if he had been living, and had been competent to act, and held the stock in his own name.

SEC. 21. Every executor, administrator, conservator, guardian, or trustee shall represent the stock in his hands at all meetings of any such corporations, and may vote accordingly as a stockholder, and every person who shall pledge his stock may nevertheless represent the same at all meetings and vote accordingly.

SEC. 22. If any corporation or its authorized agent shall do any act which shall subject it to a forfeiture of its charter or corporate powers, or shall allow any execution or decree of any court of record for a payment of money, after demand made by the officer, to be returned "no property found", or to remain unsatisfied for ten days after such demand, or shall dissolve or cease doing business, leaving debts unpaid, suits in equity may be brought against all persons who were stockholders at the time, or liable in any way for the debts of the corporation, by joining the corporation in such suit, and each stockholder may be required to pay such debts or liabilities to the extent of the unpaid portion of his stock; and courts of equity shall have full power, on good cause shown, to dissolve or close up the business of any corporation, to appoint a receiver therefor, who shall have authority by the name of the receiver of such corporation (giving the name) to sue in all courts, and to do all things necessary to closing up its affairs as commanded by the decree of the court.

SEC. 23. Foreign corporations shall, before they are authorized or permitted to do any business in this state, make and file a certificate, signed by the president and secretary of such corporation, duly acknowledged, with the secretary of state, and in the office of the recorder of deeds of the county in which such business is carried on, designating the principal place where the business of such corporation shall be carried on in this state, and an authorized agent or agents in this state, residing at its principal place of business, upon whom process may be served; and such corporations shall be subjected to all the liabilities, restrictions, and duties which are or may be imposed upon corporations of like character organized under the general laws of this state, and shall have no other or greater powers, and no foreign or domestic corporation established or maintained in any way for pecuniary profit of its stockholders or members shall purchase or hold real estate in this state, except as provided for in this act, and no corporation doing business in this state, incorporated under the laws of any other state, shall be permitted to mortgage, pledge, or otherwise encumber its real or personal property situated in this state, to the injury or exclusion of any citizen, citizens, or corporations of this state who are creditors of such foreign corporation, and no mortgage by any foreign corporation, except railroad and telegraph companies, given to secure any debt created in any other state, shall take effect as against any citizen or corporation of this state until all its liabilities due to any person or corporation in this state at the time of recording such mortgage have been paid and extinguished.

SEC. 24. Every company incorporated under the laws of any foreign state or kingdom, or of any state or territory of the United States, beyond the limits of this state, and now or hereafter doing business within this state, shall file in the office of the secretary of state a copy of their charter of incorporation; or in case such company is incorporated by certificate under any general incorporation law, a copy of such certificate and of such general incorporation law, duly certified and authenticated by the proper authority of such foreign state, kingdom, or territory.

SEC. 25. A failure to comply with the provisions of sections 23 and 24 of this act shall render each and every officer, agent, and stockholder of any such corporation so failing herein jointly and severally personally liable on any and all contracts of such company made within this state during the time that such corporation is so in default.

SEC. 26. The several certificates, statutes, and charters mentioned in section twenty-four (24) of this act shall be by the secretary of state filed and preserved in his office as a part of the record thereof, and he shall be entitled to a fee of fifty cents for receiving and filing every such certificate and statute. Copies of such charters, statutes, and certificates, duly certified by the secretary of state under his seal of office, shall be received in all courts of this state as sufficient evidence of the corporate character of such incorporations, and of all their powers, duties, and liabilities, and the originals thereof may in like manner be used in evidence of these matters with like effect.

SEC. 27. Suits may be instituted and prosecuted by and against any corporation formed or recognized. [organized] under this act in the same manner and in like cases as natural persons.

SEC. 28. The certified copy of any articles of incorporation and changes thereof, together with all indorsements therein [thereon], under the great seal of the state of Colorado, shall be taken and received in all courts and places as *prima facie* evidence of the facts therein stated.

SEC. 29. Nothing in this act shall be construed to allow the construction of any street railroad, by any corporation formed under the provisions of this act, in any city or town, without the consent of the local authorities thereof.

SEC. 30. In suits against any corporation, summons shall be served in that county where the principal office of the corporation is kept or its principal business carried on, by delivering a copy to the president thereof, if he may be found in said county, but if he is absent therefrom, then the summons shall be served in like manner in such county, on either the vice-president, secretary, treasurer, cashier, general agent, general superintendent, or stockholder of said corporation, within such time and under such rules as are provided by law for the service of such process in suits against real persons; and if no such person can be found in the county where the principal office of the corporation is kept, or in the county where its principal business is carried on, to serve such process upon, a summons may issue from either one of such counties, directed to the sheriff of any county in this state where any such person may be found, and served with process. If such corporation keeps no principal office in any county, and there is no county in which the principal business of such corporation is carried on, then suit may be brought against it in any county where the above-mentioned officers, or any or either of them, may be found: *Provided*, That the plaintiff may, in all cases, bring his action in the county where the cause of action accrued.

SEC. 31. Whenever any person or persons owning fifteen (15) per cent. of the capital stock of any corporation formed under this act shall present a written request to the secretary, cashier, or treasurer thereof that they desire a statement of the affairs of such corporation, it shall be the duty of such secretary, cashier, or treasurer to make a statement of the affairs of said company, under oath, embracing a particular account of all its assets and liabilities in detail, and to deliver such statement to the persons who presented the said written request to said secretary or treasurer within twenty (20) days after such presentation; and shall also, at the same time, place and keep on file in the office of the company, for six months thereafter, a copy of such statement, which shall at all times, during business hours, be exhibited to any stockholder of said corporation demanding an examination thereof; such officer, however, shall not be required to make such statement, in the manner aforesaid, oftener than once in six months.

SEC. 32. It shall be the duty of the directors or trustees of every such corporation, except railroad or telegraph corporations, to cause a book to be kept by the secretary, or a clerk thereof, containing the names of all persons, alphabetically arranged, who are, or shall within one year have been, stockholders of such corporation, and showing their place of residence, the number of shares of stock held by them respectively, and the time when they respectively became the owners of such shares, and the time when they ceased to be such stockholders, and the amount of stock actually paid in, and what proportion has been paid in cash; which book shall, during the usual business hours of the day, be open for the inspection of the stockholders and creditors of the company, and their personal representatives, at the office or principal place of business of such company in the county where its business operations shall be located; and any and every such stockholder, creditor, or representative shall have a right to make extracts from such books; and no transfer of stock shall be valid for any purpose whatever except to render the person to whom it shall be transferred liable for the debts of the company, according to the provisions of this act, unless it shall have been entered therein, as required by this section, within sixty days from the date of such transfer, by an entry showing to and from whom transferred. Such books shall be presumptive evidence of the facts therein stated, in any suit or proceedings against such corporation, or against any one or more stockholders. Every officer or agent of any such company who shall neglect to make any proper entry in such book, or shall refuse or neglect to exhibit the same, or allow the same to be inspected, and extracts taken therefrom, shall be, as provided by this section, deemed guilty of a misdemeanor, and the corporation shall forfeit and pay to the party injured a penalty of fifty (50) dollars for every such neglect or refusal, and all the damages resulting therefrom.

SEC. 33. The dissolution, for any cause whatever, of corporations created as aforesaid shall not take away or impair any remedy given against such corporations, its stockholders, or officers for any liabilities incurred previous to its dissolution.

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Ditch companies.

SEC. 84. Whenever any three or more persons associate, under the provisions of this act, to form a company for the purpose of constructing a ditch, for the purpose of conveying water to any mines, mills, or lands, to be used for mining, milling, or irrigating of lands, they shall in their certificate, in addition to the matters required in section two (2) of this act, specify as follows: The stream or streams from which the water is to be taken; the point or place on said stream at or near which the water is to be taken out; the line of said ditch, as near as may be, and the use to which the said water is intended to be applied.

SEC. 85. Any ditch company formed under the provisions of this act shall have the right of way over the line named in the certificate, and shall also have the right to run the water of the stream or streams named in the certificate through their ditch: *Provided*, That the line proposed shall not interfere with any other ditch whose rights are prior to those acquired under this act and by virtue of said certificate, except the right to cross by flume,

nor shall the water of any stream be diverted from its original channel to the detriment of any person or persons who may have priority of right.

SEC. 86. Any corporation owning any ditch or canal for conveying or reservoir for storing water for irrigating purposes, and the capital stock being fully subscribed and paid up, and when such corporation shall have no income sufficient to keep its ditch, canal, or reservoir in good repair, such corporation shall have power to make an assessment on the capital stock thereof, to be levied *pro rata* on all the shares of stock, payable in money or labor, or both, for the purpose of keeping the property of such corporation in good repair, and for the payment of any claim against such corporation not otherwise provided for. But no such assessment shall be made unless the question of making such assessment shall first be submitted to the stockholders of such corporation, at an annual meeting, or at a special meeting called for that purpose, and a majority of the stockholders, either in person or by proxy, voting thereon, shall vote in favor of making such assessments, and an action may be maintained to recover any assessment against a delinquent shareholder, as provided in section five (5) of this act.

SEC. 87. Any company constructing a ditch under the provisions of this act shall furnish water to the class of persons using the water in the way named in the certificate, in the way the water is designated to be used, whether miners, mill-men, farmers, or for domestic use, whenever they shall have water in their ditch unsold, and shall at all times give the preference to use of the water in said ditch to the class named in the certificate; the rates at which water shall be furnished to be fixed by the county commissioners as soon as such ditch shall be completed and prepared to furnish water.

SEC. 88. Every ditch company organized under the provisions of this act shall be required to keep their ditch in good condition, so that the water shall not be allowed to escape from the same to the injury of any mining-claim, road, ditch, or other property; and whenever it is necessary to convey any ditch over, across, or above any lode or mining-claim, or to keep the water so conveyed therefrom, the company shall, if necessary to keep the water of said ditch out or from any claim, flume the ditch so far as necessary to protect such claim or property from the water of said ditch.

Flume companies.

SEC. 89. When any company shall organize under the provisions of this act to form a company for the purpose of constructing a flume, their certificate, in addition to the matters required in the second section of this act, shall specify as follows: The place of beginning, the terminus, and the route so near as may be, and the purpose for which such flume is intended, and when organized, according to the provisions of this act, said company shall have the right of way over the line proposed in such certificate for such flume: *Provided*, It does not conflict with the rights of any former fluming, ditching, or other company.

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Mining companies.

SEC. 93. Any ore-reducing, mining, or tunneling company, organized under the provisions of this act, shall have the power to acquire, by purchase or otherwise, mining property, and work, mine, tunnel, and develop the same, erect necessary buildings, mills, machinery and appliances, and purchase materials for the proper working thereof, and do any and all things necessary and requisite to carry into effect the objects for which they may be formed, as named in their certificate of organization. The certificate of incorporation of any such company, in addition to the other matters required in this act to be stated therein, shall contain a statement that the stock of such company is either assessable or non-assessable, and each certificate of stock issued by any such company shall have plainly printed on the face thereof the word "assessable" or "non-assessable" as the case may be.

SEC. 94. Any mining company organized under the provisions of this act may, for the purpose of purchasing mining property and providing a capital for carrying on the business of the company, issue full-paid stock in payment of the same, which shall be non-assessable until the balance or whole amount of the capital stock shall have been assessed to the par value thereof and fully paid, after which the stock shall all be equally and ratably liable to assessment for the operations of the company: *Provided, however*, Any company may issue all its stock, assessable or non-assessable, but no company shall issue both assessable and non-assessable stock, except as provided in this section.

SEC. 95. The board of directors of any such company may make assessments upon the assessable stock of the company, but no single assessment shall exceed five (5) per cent. on the par value of said stock, and no such assessment shall be levied oftener than once in three (3) months. When the board of directors shall deem it necessary that assessments be made as aforesaid, they shall call a meeting of the stockholders, to be held at the principal office of the company, not less than thirty (30) days from the publication of such call; notice of such meeting shall be signed by the president or secretary of the company, and shall state the object of such meeting, and the time and place where the same will be held, and the same shall be published in some newspaper in the county where the operations of such company are carried on, if there be one, once each week for four (4) consecutive weeks, and also in some daily paper of general circulation at the place where the principal office of said company is located, if there be one, each day for thirty (30) days; the last publication to be at least ten (10) days before the

time appointed for such meeting, and if there be no daily paper in the place where the principal office of the company is located, then the same shall be published in a weekly paper, if there be one, once each week for four consecutive weeks before the time for such meeting, and notice shall be personally served upon each stockholder, or, in lieu of personal service, notice of such meeting shall be mailed to each stockholder at his last known place of residence; and if at such meeting the stockholders representing a majority of the stock shall vote in favor thereof, the directors or trustees shall make the assessments: *Provided*, That no assessment or assessments so authorized, or any part thereof, as provided for in this section, shall be due and payable in less than thirty (30) days from the date of such assessment.

SEC. 96. If any assessment made as hereinbefore provided, or any part thereof, shall remain due and unpaid for fifteen (15) days after the same shall be due, interest may be charged thereafter upon the amount due, the shares of stock on which the same is due may be considered delinquent and in default, and the secretary of the company may advertise such shares for sale at public auction, to the highest bidder for cash, by giving notice of such sale in some daily newspaper published at the place where the principal office of the company is located, if there is a daily paper published at such place, for ten (10) consecutive days, and if there be no daily paper, then in a weekly newspaper for two (2) weeks; said notice shall contain the numbers of the certificates of such stock, the number of shares, the amount of the assessment due and unpaid, and the time and place of sale; and in addition to the publication of the notice aforesaid, notice shall be personally served upon such delinquent stockholder in the manner as provided in section ninety-five (95) of this act, for personal notice to stockholders; and if the owner or owners of such stock shall fail to pay the amount due upon such shares, the interest upon the same, and cost of advertising, before the time fixed for such sale, the secretary shall proceed to sell the same, or such part thereof as shall be necessary to pay such assessment together with the interest and cost of advertising: *Provided*, That no fraction of a share shall be sold, and if the price for which the necessary share or shares shall be sold exceed the amount due with interest and cost, such excess shall be paid to the delinquent stockholder: *And provided further*, That no sale of delinquent stock shall take place in less than sixty (60) days from the date the assessment was made.

SEC. 97. The stock, property, and concerns of any company organized under the provisions of this act shall be managed by not less than three (3) nor more than nine (9) directors, who shall respectively be stockholders in said company, and who shall, except the first year, be annually elected by the stockholders, at such time and place as shall be directed by the by-laws of the company; and public notice of the time and place of holding such elections shall be published, not less than ten (10) days previous thereto, in a newspaper published in the place where the principal office of the company is located, if there be such a newspaper, and if not, by personal notice, as provided in section ninety-five (95) of this act; and the election shall be had by such of the stockholders as shall attend for that purpose, either in person or by proxy: *Provided*, A majority of the stock be represented. All elections shall be by ballot, and each stockholder shall be entitled to as many votes as he holds shares of stock in said company, and the persons receiving the greatest number of the votes cast shall be elected.

SEC. 98. Any ore-reducing, mining, or tunneling companies may consolidate under one organization, having all the rights and privileges of this act and amenable to all its liabilities, by complying with all its requirements hereinafter provided.

CHAP. LXVII.—MISCELLANEOUS LAWS.

AN ACT to enable counties to provide water for mining, milling, irrigating, domestic, and fire purposes. (Sess. Laws, 1874, p. 193; Gen. Laws, p. 638.)

SECTION 1. It shall be lawful for the board of commissioners of any county in this state to subscribe to the capital stock of any incorporated company organized under the laws of the state, for the purpose of constructing ditches, flumes, or other works for the supply of such county with water for mining, milling, irrigating, and domestic and fire purposes, such subscription to be paid by the issue of the bonds of said county, as hereinafter provided.

SEC. 2. Whenever any such incorporated company shall solicit the aid of such county by subscription to its capital stock, it shall submit to the board of county commissioners a statement in writing, to be filed in the office of the county clerk of such county, setting forth the source from which water is to be obtained and the proposed capacity of the ditch, flume, or pipes by which the water is to be brought, together with the number and size of the reservoirs to be constructed, and the route, as near as practicable, over which the same is to be brought, the estimated cost of the said works when completed, and the rates at which they agree to furnish water for the purposes above set forth, for the first three years after the same is in operation. Such statement shall also be accompanied with a petition of at least fifty legal voters of said county who shall have paid taxes on property, real or personal, in said county during the year preceding that in which such petition is drawn, requesting said board to call an election in said county upon the question of the issue of the bonds of such county in aid of said company, in payment of the proposed subscription to the capital stock of said company. Upon the receipt of such statement and petition the said board of county commissioners shall thereupon, within ten days thereafter, call a special election upon such

question, and enter an order on their journal therefor. Such election shall be upon notice, published in some newspaper published in said county for at least three weeks before the day named therein upon which the vote shall be taken, or if there is no newspaper published in such county, then by putting notices at the usual place of voting in the different precincts of said county for the same period. Said notice shall contain the statement of the said company as above prescribed, together with the terms and conditions upon which such stock is to be subscribed and the bonds issued, and any other matters necessary to a fair, impartial, and intelligent expression of the will of the voters of such county upon the question submitted, which question shall be as to the subscription to the capital stock of said company and the issuance of the bonds of said county in payment thereof. Such notice shall also state the time which such bonds shall run, the rate of interest they shall bear, and the manner in which they shall be paid.

SEC. 3. If a two-thirds majority of all votes cast at such election shall be in favor of the subscription to said stock and the issuance of such bonds, it shall be the duty of the said board of county commissioners to subscribe said stock and issue said bonds of said county, and to exchange the same at the par value for the stock of said company at its par value: *Provided*, That no bonds shall be issued bearing interest at a rate exceeding ten per cent. per annum: *And provided further*, That no bonds shall be issued, due and payable until fifteen years after the date thereof, except at the option of the said board of county commissioners of such county, after five years from date thereof.

SEC. 4. The board of county commissioners of any such county shall have power to levy a special tax, to be paid in cash, of not to exceed three mills on each and every dollar of property assessed and liable to taxation in such county each year, for the payment of the interest annually on such bonds, and at the end of five years it shall be the duty of such board to levy a tax not exceeding five mills on the assessed value of the property in said county, for each and every year, for the payment of the interest and principal of said bonds, and all moneys applicable to the payment of the principal of said bonds shall be applied to the payment thereof by the said board at the end of the fiscal year of such county: *Provided*, That the amount so levied each year shall be an amount sufficient at such rates to pay the amount of said bonds at maturity.

SEC. 5. No incorporated company, to whose stock any county has subscribed, shall make any discriminating rates against or in favor of any person or corporation, or charge one person or corporation more for a given amount of water for a given purpose than another, except that in cases where a small quantity of water only is required it shall be lawful for the company to make such charges as may be just and reasonable, without regard to the rates fixed for other purposes and in larger amounts.

SEC. 6. It shall be lawful, at any time after three years from the date of any bonds issued under the provisions of this act, for the board of county commissioners of any county to exchange the stock so held and subscribed by said county for the bonds of the said county, such stock to be exchanged at its par value and such bonds taken at their par value.

SEC. 7. The amount of bonds issued by any county under the provisions of this act shall in no case exceed four per cent. of the assessed value of the property situate in said county for the year preceding that in which such bonds are voted.

SEC. 8. The provisions of this act shall not apply to Arapahoe county.

CHAP. LXXIII.—ORE.

AN ACT to facilitate the recovery of ore, taken by theft or trespass, to regulate the sale and disposition of the same, and for the better protection of mine owners. (Approved February 7, 1877; Gen. Laws, p. 671.)

SECTION 1. That every person, association, or corporation that shall be engaged in the business of milling, sampling, concentrating, reducing, shipping, or purchasing ores in the state of Colorado shall keep and preserve a book in which shall be entered at the time of the delivery of each lot of ore:

First. The name of the party on whose behalf such ore is delivered, as stated.

Second. The name of the teamster, packer, or other persons actually delivering such ore, and the name of the owner of the team or pack-train delivering such ore.

Third. The weight or amount of every such lot of ore.

Fourth. The name and location of the mine or claim from which it shall be stated that the same has been mined or procured.

Fifth. The date of delivery of any and all lots or parcels of ore.

SEC. 2. Whenever affidavit shall have been made before any police magistrate of any town in this state or any justice of the peace of any county, by any person, that ore has been stolen from him, stating as near as may be the amount and value of the ore stolen, such person, upon presentation of a certified copy of such affidavit, shall have access to such book, and may examine the entries which may have been made therein during a period of fifteen days next preceding the filing of such affidavit: *Provided*, That the person making such affidavit shall, at the time of making the same, have a present interest in the product of the mine or claim from which said ore has been stolen, or in the ore alleged to have been stolen.

SEC. 3. Every person, association, or corporation that shall fail or refuse to keep the book required by the terms of the first section of this act, or shall fail or refuse to make any proper entry therein, or who shall make any false entry therein, or who shall refuse to any person who may be entitled to the same, as provided by section two (2) of this act, the right of inspection thereof, shall forfeit and pay for each and every violation of the provisions of said section a penalty of not less than fifty (50) nor more than three hundred (300) dollars, to be collected by action of debt at the suit of any person who may sue for the same. In addition to such penalty, any person, association, or corporation violating the provisions of said first section shall be liable, at the suit of the party or person aggrieved, in the proper form of action, for all damages which may accrue to any party or person by reason of any such violation. And in all actions the fact that a false entry has been made shall be *prima-facie* evidence that the same was made willfully or knowingly.

SEC. 4. If any person, association, or corporation shall fail or neglect to make the inquiries necessary to the making of the proper entries in said book, as provided by section one (1) of this act, or shall so negligently make entries therein that any lot of ore cannot be particularly identified, or so negligently that it cannot be perceived therefrom what person delivered any lot of ore or received the proceeds of the same when purchased, or shall fail to keep such book, or shall willfully suffer the same to be lost or mislaid, so that the same cannot be produced for inspection, such failure or neglect shall not excuse any party defendant in any suit brought under the preceding section from judgment for any penalty prescribed by said section.

SEC. 5. Any person, association, or corporation, or the agent of any person, association, or corporation, who shall knowingly purchase or contract to purchase, or shall make any payment for or on account of, any ore which shall have been taken from any mine or claim, by persons who have taken or may be holding possession of any such mine or claim, contrary to any penal law now in force or which may be hereafter enacted, shall be considered as an accessory after the fact to the unlawful holding or taking of such mine or claim, and upon conviction shall be subjected to the same punishment to which the principals may be liable.

SEC. 6. Any person, association, or corporation, or the agent of any person, association, or corporation engaged in the business of milling, sampling, concentrating, reducing, shipping, or purchasing ores, as aforesaid, who shall keep or use any false or fraudulent scales or weights for weighing ore, or who shall keep or use any false or fraudulent assay scales or weights for ascertaining the assay value of ore, knowing them to be false, every person so offending shall be deemed guilty of a misdemeanor, and on conviction thereof shall be fined in a sum not exceeding one thousand (1,000) dollars nor less than one hundred (100) dollars or imprisonment not more than one year, or both, at the discretion of the court.

SEC. 7. Any person, corporation, or association, or the agent of any person, corporation, or association engaged in the milling, sampling, concentrating, reducing, shipping, or purchasing of ores in this state, who shall, in any manner, knowingly alter or change the true value of any ores delivered to him or them, so as to deprive the seller of the result of the correct value of the same, or who shall substitute other ores for that delivered to him or them, or who shall issue any bill of sale or certificate of purchase that does not exactly and truthfully state the actual weight, assay value, and total amount paid for any lot or lots of ore purchased, or who, by any secret understanding or agreement with another, shall issue a bill of sale or certificate of purchase that does not truthfully and correctly set forth the weight, assay value, and total amount paid for any lot or lots of ore purchased by him or them, shall be deemed guilty of a misdemeanor, and on conviction thereof shall be fined in a sum not exceeding one thousand (1,000) dollars nor less than one hundred (100) dollars, or imprisonment not more than one year, or both, at the discretion of the court.

SEC. 8. If any person, lessee, licensee, or employé in or about any mine in this state, shall break and sever, with intent to steal, the ore or mineral from any mine, lode, ledge, or deposit in this state, or shall take, remove, or conceal the ore or mineral from any mine, lode, ledge, or deposit, with intent to defraud the owner or owners, lessee, or licensee of any such mine, lode, ledge, or deposit, such offender shall be deemed guilty of felony, and on conviction shall be punished as for grand larceny.

CHAP. LXXXIII.—PUBLIC LANDS.

(Revised Statutes, Chap. LXXII., p. 530; Gen. Laws, p. 713.)

SECTION 1. Conceding to the United States of America the primary and paramount right to dispose of the soil of this state according to the laws existing or to be enacted by Congress, and full and complete exemption from every form of taxation of their property, it is hereby declared that as between all the good citizens now residing in or who shall hereafter come to reside in this state, and as between them, or any of them, and others having or claiming, or now or hereafter pretending to have or claim, any right to occupy, possess, and enjoy any portion of the public domain situate within the boundaries of this state, and as between each and every of them, and all other persons, associations, corporations, and powers, except the government of the United States of America, the right, as the same may exist under the local laws, to occupy, possess, and enjoy any tract or portion thereof, shall be respected in law and equity in all the courts and tribunals of this state.

SEC. 2. All rights of occupancy, possession, and enjoyment of any tract or portion of the said public domain, except mining-claims, acquired after the adoption of this chapter, shall be expressed and described in a declaration in cases of original occupation, and by a deed in cases of purchase, duly acknowledged, by some officer authorized to take acknowledgments of deeds, and recorded in the office of the recorder of the county in which the land is situated.

SEC. 3. The owner of every claim or improvement on every tract or parcel of land has a transferable interest therein, which may be sold in execution or otherwise; and any sale of such improvement is a sufficient consideration to sustain a promise.

SEC. 4. All rights of occupancy, possession, and enjoyment of any tract or portion of the said public domain acquired before the seventh day of November, A. D. 1861, shall be ascertained, adjudged, and determined by the local law of the district or precinct in which such tract is situated as it existed on the day when such rights were acquired, or as it thereafter may have existed; and if there were no local laws at that time, then by the common custom then prevailing in respect to such property in the district or precinct in which it existed. All such rights of occupancy, possession, and enjoyment acquired since the said seventh day of November, A. D. 1861, shall be ascertained, adjudged, and determined by the laws of this state in force at the date of such acquisition.

SEC. 5. The declaration of an occupant of a tract or portion of the public domain, required by the second section of this chapter, shall be substantially in the following form:

To all whom these presents may concern:

Know ye, That I, A. B., of ———, in the county of ———, in the state of Colorado, do hereby declare and publish, as a legal notice to all the world, that I have a valid right to the occupation, possession, and enjoyment of all and singular that tract or parcel of land, not exceeding one hundred and sixty acres, situate, lying, and being in the township of ———, in the county of ———, in the state of Colorado, bounded and described as follows: (here insert the description), together with all and singular the hereditaments and appurtenances thereunto belonging or in anywise appertaining.

Witness my hand and seal this ——— day of ———, in the year one thousand eight hundred and ———. (To be subscribed with the full Christian and surname of the person making the application, and acknowledged in the same manner as a deed of real estate.)

SEC. 6. In all legal or equitable proceedings hereafter instituted in any court of this state, the record of any declaration, deed, or mortgage, or other muniments of right, referred to in the third and fifth sections of this chapter, shall be received, except as against the United States and all persons claiming under the United States, as presumptive evidence of the regularity of the paper itself under the local law or custom existing at the time of its execution; and if the regularity thereof shall be challenged, the burden of proving the alleged irregularity shall rest upon the party making the challenge.

SEC. 7. The declaration of every occupant of any tract or portion of the public domain, mentioned in section five of this chapter, shall not be construed to include any gold-bearing-quartz lodes, silver lodes, or gold diggings; but said lodes and diggings shall be excepted from the tract of said occupant, and shall be subject to be occupied, possessed, and enjoyed as hereinafter provided.

SEC. 8. Any person settled upon any of the public lands belonging to the United States may maintain trespass *quare clausum fregit*, trespass, ejection, forcible entry and detainer, unlawful detainer and forcible detainer, for injuries done to the possession thereof.

SEC. 9. On the trial of any such cause the possession or possessory right of the plaintiff shall be considered as extending to the boundaries embraced by the claim of such plaintiff, so as to enable him to have and maintain either of the aforesaid actions without being compelled to prove an actual inclosure: *Provided*, That each claim shall not exceed in any case one hundred and sixty acres of land.

SEC. 10. Every such claim, to entitle the holder to maintain either of the aforesaid actions, shall be marked out so that the boundaries thereof may be readily traced and the extent of such claim easily known; and no person shall be entitled to maintain either of said actions for possession of, or injury done to, any claim unless he occupy the same, or shall have made improvements thereon to the value of one hundred dollars.

SEC. 11. A neglect to occupy such claim, or to inclose at least five acres with a reasonable fence, or plow at least five acres of the same for the period of six months, shall be considered such an abandonment as to preclude the claimants from maintaining either of the aforesaid actions.

SEC. 12. Any person who may have a title to occupy any lot or lots within any city or village plot, or any lots or mining-claim within any mining district in this state, in virtue of a certificate, deed of gift, or purchase from the original claimant or claimants, or their assigns, as well as all purchasers, under any decree or execution of any of the so-called provisional-government courts, people's or miners' courts, of the lands situate within any city or village plot, or any lots, lands, or mining-claims situate within any mining district, together with the original claimant or claimants of said lots, lands, or mining-claims, shall be entitled to maintain the actions authorized by the eighth section of this chapter against any and all persons who shall enter upon and occupy said lots, lands, or mining-

claims, or any of them: *Provided*, It shall be lawful for the citizens of any mining district to declare an abandonment of any creek, river, gulch, bank, or mining-claim a forfeiture of the rights of the claimants thereto; in which case the parties claimant shall not be enabled to maintain either of the actions mentioned in section eight of this chapter.

SEC. 13. Nothing in this chapter contained shall be construed to deny the right of the United States to dispose of any lands in this state; nor shall the fact that the title to any lots, lands, lodes, or mining-claims hath not passed from the United States be any bar to the recovery of the plaintiff in either of the actions specified in section eight of this chapter. As against the United States, and all persons holding any of said lands under the United States or the laws thereof, this chapter shall be of non-effect and void.

SEC. 14. Sections ten and eleven of this chapter are not intended, and shall not be construed, to affect or apply to mining-claims, but shall affect and be applicable to claims held or used for arable or pastoral agriculture only.

SEC. 15. Whenever any improvements may be made upon any claim held or used for arable or pastoral agriculture, or upon any building-lot, mill-site, or other lot or premises, and any person or persons shall demand of the claimant thereof to mine any portion of said claim upon which such improvements may have been made, it shall be lawful for the occupant or holder of such claim to require a good and sufficient bond, in a sum double the value of the improvements upon the land sought to be mined, from the party or parties demanding to mine upon such claim, with two or more sureties, to be approved by any justice of the peace of the township in which the claim is situate, conditioned that the said party or parties shall pay all damage which may be sustained by the occupant or holder of such claim to the improvements thereon.

SEC. 16. It shall be the duty of the said justice of the peace, by whom the bond is required to be approved, as is above recited, in case the value of the improvements cannot be agreed upon by the claimant and the party or parties seeking to mine, to appoint a day and hour to hear testimony respecting the value of the improvements which may be damaged by reason of such mining.

SEC. 17. It shall be the duty of the justice to require the sureties entering into such bond as is above required to justify, before him, each in the sum stated in said bond; and if the claimant shall except to the said sureties, or either of them, it shall be lawful for said justice, and he is hereby required, to examine said surety or sureties excepted to, on oath, touching the sufficiency of said surety or sureties; and if the justice shall find either or both of said sureties insufficient, it shall be the duty of the justice to require further sufficient surety or sureties, which shall be likewise approved, and shall justify as is above required.

SEC. 18. It shall be competent for said claimant to demand from the obligees in said bond, at any time after one week after mining shall be commenced on said claim, such sum as may be equal to the damage done the improvements thereon, and after every week it shall be competent for said claimant to make the like demand, unless the payment of the damage done or to be done said improvements shall, by the claimant, be postponed for a longer time.

SEC. 19. That when any person hath heretofore, or shall hereafter, settle upon and improve any of the public lands which have been, or shall hereafter be, donated by act of Congress to public uses, for educational or other purposes, and upon any sale of such lands by public authority subsequent to such settlement and improvement, if the person settling upon such lands shall not become the purchaser, the person becoming the purchaser of such lands shall pay to such settler the reasonable value of his improvements thereon.

SEC. 20. Whenever the parties cannot agree as to the reasonable value of such improvements, the same shall be recoverable by an action of assumpsit in the district court of the proper county.

SEC. 21. Nothing herein contained shall be construed to interfere with the right of the purchaser of any such lands to the immediate possession thereof upon the completion of his purchase.

CHAP. LXXXVII.—REVENUE.

AN ACT to provide for the assessment and collection of revenue, and to repeal certain acts in relation thereto. (Approved March 20, 1877; Gen. Laws, p. 741.)

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Definitions.

SECTION 3. Whenever the terms mentioned in this section are employed in this chapter they are employed in the sense hereinafter affixed to them:

First. The term real estate includes, first, all lands within the state to which title, or the right to title, has been acquired from the government of the United States; second, all mines, minerals, and quarries in and under the land, and all right and privileges appertaining thereto; third, improvements.

Second. The term "improvements" includes, first, all buildings, structures, fixtures, and fences erected upon or affixed to land, whether title has been acquired to said land or not.

* * * * *

SEC. 5. The following classes of property shall be exempt from taxation, to wit: first, mines and mining-claims

bearing gold, silver, and other precious metals (except the net proceeds and surface improvements thereof), for the period of ten years from the first day of July, A. D. 1876; second, ditches, canals, and flumes owned and used by individuals or corporations for irrigating lands owned by such individuals or corporations, or the individual members thereof, shall not be separately taxed so long as they shall be owned and used exclusively for such purpose. * * *

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CHAP. XCL.—SCHOOL OF MINES.

AN ACT to provide for the incorporation, maintenance, management, and support of the school of mines. (Approved April 7, 1877; Gen. Laws, p. 803.)

SECTION 1. The state school of mines, located at Golden, in the county of Jefferson, is hereby declared to be a body corporate under the name of "School of Mines", and by that name may sue and be sued; may take and hold real and personal property by gift, bequest, devise, or purchase for the state, and may sell and dispose of the same when authorized so to do by law.

SEC. 2. There shall be a board of trustees of said school of mines, to be composed of five persons, who shall, except as hereinafter provided, hold their office for a period of four years and until their successors are appointed and qualified. Any three of said board of trustees shall constitute a quorum for the transaction of business, and the said board shall have such powers and perform such duties as are hereinafter specified.

SEC. 3. The first board of trustees shall be composed of the following persons, who are hereby appointed for such purpose, to wit: William A. H. Loveland, Francis E. Everett, James T. Smith, Alpheus Wright, and N. P. Hill, the first three of whom shall hold their office until the first day of February, A. D. 1881, and the other two until the first day of February, A. D. 1879.

SEC. 4. Every trustee hereafter appointed shall, before entering upon the duties of his office, take an oath to support the Constitution of the United States and the constitution of the state of Colorado, and to faithfully perform the duties of his said office of trustee to the best of his ability and understanding.

SEC. 5. The said board of trustees shall have the control and management of the said school of mines, and of the property belonging thereto, subject to the laws of this state, and may make all needful by-laws and regulations for the government of said board, and for the management and government of said school of mines, not inconsistent with the laws of this state.

SEC. 6. It shall be the object of such school of mines to furnish facilities for the education of such persons as may desire to receive special instruction in chemistry, metallurgy, mineralogy, geology, mining, mining engineering, mathematics, mechanics, and drawing.

NOTE.—Sec. 6, repealed by act approved February 12, 1881, Stats., p. 219. See also p. 220, act of February 4, 1881.

SEC. 7. The said board of trustees are hereby authorized to procure such machinery and other appliances and to make such necessary additions to the school of mines building as may be necessary to carry out the object and intention of such institution, and to promote the welfare thereof, whenever the funds provided for the support of said school of mines will warrant the same.

SEC. 8. The said school of mines shall be open and free for instruction to all *bona fide* residents of this state, without regard to sex or color, and, with the consent of said board, students from other states or territories may receive education thereat upon such terms and at such rates of tuition as the board may prescribe.

SEC. 9. The said board shall, at their first meeting, and biennially thereafter, elect one of their number president of said board, and shall also appoint a secretary and treasurer, either from their own number or other suitable persons, as they may deem best, and prescribe their duties, and may, at any time in their discretion, remove such secretary or treasurer. And the trustees hereby appointed shall hold their first meeting as soon as practicable after this act shall take effect. All meetings of said board shall be held at the town of Golden, in the county of Jefferson, in this state.

SEC. 10. The governor of this state, with the advice and consent of the senate, shall, at each regular session of the general assembly to be held after the year 1877, by appointment fill all vacancies in said board of trustees occurring either by expiration of their term of office or otherwise; and any vacancy occurring in such board when the general assembly is not in session may be temporarily filled by the governor until the next meeting of the general assembly.

SEC. 11. The president of said board shall be known as president of the school of mines, and shall annually, on or before the tenth day of December in each year, make a report to the governor of this state of the prosperity and condition of said school of mines, containing such statistical and other information pertaining thereto as he may deem necessary and useful, and also a detailed statement of the receipts and expenses of such institution.

SEC. 12. There shall be assessed and levied upon all taxable property, both real and personal, in this state, in each year, the following tax for the support of said school of mines, to wit: one-tenth (1-10) of one mill on each

dollar of the yearly assessed value of such property, to be known as the school-of-mines tax, which shall be payable only in money, and shall be assessed, levied, and collected in the same manner and at the same time as is now or may be prescribed by law for the assessment and collection of state revenue.

NOTE.—Section 12, repealed by act approved February 8, 1879, Stats., p. 158.

SEC. 13. It shall be the duty of the county treasurer of each county to keep the said fund separate from all other funds collected by him, and to transmit the amount thereof in his hands monthly to the state treasurer, who shall keep the same as a separate fund, to be known as the school-of-mines fund.

SEC. 14. The state auditor shall, from time to time, draw his warrants upon said fund, in favor of the treasurer of the school of mines, upon the presentation to him by such treasurer of the order of the president of the school of mines, countersigned by the secretary thereof, and in such sum or sums as may be necessary to defray the monthly expenditures of said institution specified in such order or orders, and the said warrants shall be paid by the state treasurer out of such fund.

SEC. 15. The said board of trustees shall require the treasurer of the school of mines to give such bond as they may deem sufficient to protect said institution against loss of any funds which may come into his hands as such treasurer, conditioned for the safe keeping and faithful disbursement thereof; and the said treasurer of the school of mines shall not pay out any of the funds which shall come into his hands as such treasurer, except upon the order of the president of the school of mines, countersigned by the secretary thereof.

SEC. 16. The unexpended balance of the appropriation made to the school of mines by the legislature of Colorado, in the year 1876, shall constitute a part of the school-of-mines fund, and shall be used for the support of said school of mines for the year ending December 31, 1877.

SEC. 17. It shall be lawful for the professor or principal of the said school of mines, who shall be appointed by the said board of trustees, to charge and collect such reasonable fees for any and all assays and analyses made by him as the said board may prescribe, an account of which shall be kept by said principal and paid over monthly to the treasurer of said school of mines, which shall become a part of the school-of-mines fund.

SEC. 18. As soon as practicable after the first board of trustees herein provided for shall be organized, all property, both real and personal, belonging to such school of mines shall be transferred and vested in the trustees herein provided for and their successors in office, in trust for the use and benefit of the state of Colorado.

SEC. 19. The school-of-mines fund shall be used solely for the support of the school of mines and for no other purpose whatever, notwithstanding any provision in the act to establish the office of commissioner of mines.

SEC. 20. This act shall not take effect unless the fee-simple title to the real estate now occupied and controlled by the said school of mines shall, within eighty days from the passage of this act, be vested in the trustees of the school of mines, free of any condition of defeasance whatsoever. When the said title shall be so vested, it shall be the duty of the attorney-general to certify such fact in writing to the state auditor, and the state auditor shall notify the county clerks of the several counties of this state of the same, in order that [the] tax herein provided may be properly levied and assessed.

NOTE.—See Chap. XV, act February 8, 1872, General Laws, p. 126; also act approved February 8, 1879, Stats., p. 158.

CHAP. LIII.—JUDGMENTS AND EXECUTIONS.

(Revised Statutes, Chap. XLVIII, p. 369; Gen. Laws, 523.)

* * * * *
SECTION 26. The following property, when owned by any person being the head of a family and residing with the same, shall be exempt from levy and sale upon any execution, or writ of attachment, or distress for rent; and such articles of property shall continue exempt while the family of such person are removing from one place of residence to another within this state:

* * * * *
Sixth. The tools and implements or stock in trade of any mechanic, miner, or other person, used and kept for the purpose of carrying on his trade or business, not exceeding two hundred dollars in value.

* * * * *
Eighth. Working animals to the value of two hundred dollars.

* * * * *
Provided, That nothing in this chapter shall be so construed as to exempt any property of any debtor from sale for the payment of any taxes whatever, legally assessed: *And provided further,* That no article of property above mentioned shall be exempt from attachment or sale on execution for the purchase money for said article of property: *And provided also, further,* That the tools, implements, working animals, books, and stock in trade, not exceeding three hundred dollars in value, of any mechanic, miner, or other person not being the head of a family, used and kept for the purpose of carrying on his trade and business, shall be exempt from levy and sale on any execution or writ of attachment while such a person is a *bona fide* resident of this state.

CHAP. LX.—LIMITATIONS.

AN ACT limiting the time for bringing actions respecting real estate. (Sess. Laws, 1874, p. 177; Gen. Laws, p. 600; Rev. Stats., Chap. LV.)

SECTION 1. That every person in the peaceable and undisputed possession of lands or tenements, including mining-claims, under claim and color of title, made in good faith, including pre-emptions made in accordance with the laws of the state of Colorado or any mining district wherein such property may be situate, who shall, for five successive years hereafter, continue in such possession, and shall also, during said time, pay all taxes legally assessed on such lands, tenements, or mining-claims, shall be held and adjudged to be the legal owners of said lands, tenements, or mining-claims to the extent and according to the purport of his or her proper title or pre-emption. All persons holding under such possession by purchase, devise, or descent, before said five years shall have expired, and who shall continue such possession and continue to pay the taxes as aforesaid, so as to complete the possession of and payment of taxes for the term aforesaid, shall be entitled to the benefit of this section.

SEC. 2. Whenever a person having color of title, either by pre-emption or otherwise, as aforesaid, made in good faith, to vacant and unoccupied land or mining-claims, shall pay all taxes legally assessed thereon, or for improvements situate thereon, for five successive years, he or she shall be deemed and adjudged to be the legal owner of said vacant and unoccupied lands or mining-claims to the extent and according to the purport of his or her proper title or pre-emption. All persons holding under such tax-payer, by purchase, devise, or descent, before said five years shall have expired, and who shall continue to pay the taxes as aforesaid, so as to complete the payment of the taxes for the term aforesaid, shall be entitled to the benefit of this section: *Provided, however,* That if any person having a better paper-title or pre-emption to said vacant and unoccupied lands or mining-claims shall, during the said term of five years, pay the taxes assessed on said lands or mining-claims, or improvements thereon, for any one or more years of the said term of five years, then, in that case, such tax-payer, his heirs, and assigns shall not be entitled to the benefit of this section.

SEC. 3. The two preceding sections shall not apply to lands or tenements owned by the United States, except as to the possessory rights of parties claiming to hold such lands or mining-claims under and in accordance with the laws of the United States, the laws of this state, and the mining laws, regulations, and customs of the several mining districts wherein such land or mining-claims may be situate, nor to land held for the use of any school or seminary or for the use of any religious society, nor to lands held for any public purpose; nor shall they extend to any lands, tenements, or mining-claims when there shall be color of title, by purchase or pre-emption, in another to such lands, tenements, or mining-claims and the holder of such title is under the age of twenty-one years, insane, or imprisoned: *Provided,* Such person shall commence an action to recover such lands or mining-claims so claimed as aforesaid within one year after such disability shall cease to exist, and shall prosecute such action to judgment; and in case of vacant and unoccupied land, shall also within one year pay to the person or persons who paid the same, or to the treasurer of the county wherein the land is situate, for the use of such person or persons, all the taxes paid by such person or persons on said land or improvements, with interest thereon from the date of such payments at the rate of twenty-five per cent. per annum. Nor shall said section extend to or apply to any mining claims the title of which may be derived from pre-emption under and by virtue of the provisions of the law of the United States approved May 10, 1872, in reference to the forfeiture of mining-claims by failure to improve the same.

SEC. 4. In all cases at law or in equity brought to recover the possession of any lands, tenements, or mining-claims, except in actions of ejectment, the party defendant may plead such possession, payment of taxes, as aforesaid, in bar of such action, and on failure to plead such possession and payment of taxes, the right of the said defendant to avail himself of the benefit of said statute shall be deemed waived by the said defendant.

CODE OF CIVIL PROCEDURE, 1877.

AN ACT providing a system of procedure in civil actions in the courts of justice of the state of Colorado. (Approved March 17, 1877, p. 42.)

CHAP. VI.—ATTACHMENTS.

* * * * *
SECTION 119. In all suits hereafter brought in this state to recover damages for trespass on any lode or mining property, the party bringing such suit, or his agent or attorney, may make an affidavit setting forth that the defendant or defendants in such suit, having committed a trespass or trespasses upon any lode or mining property owned or possessed by the plaintiff or plaintiffs in such suit, describing such lode or mining property, and that such plaintiff or plaintiffs have sustained substantial damage, and that he, she, or they believe that such plaintiff or plaintiffs will recover, and ought to recover, any specified sum exceeding twenty dollars, stating the amount that he, she, or they expect will and ought to be recovered, a writ of attachment shall issue against the goods, chattels, and real estate of such defendant or defendants, returnable as in other cases of attachment prescribed in this chapter, and the plaintiff or plaintiffs in such writ of attachment may cause such writ of attachment to be levied on the ore or quartz taken from such lode or mining property by the defendant.
* * * * *

CHAP. XLI.—INSPECTION OF DOCUMENTS, AND MISCELLANEOUS PROVISIONS AS TO RECORDS, WRITINGS, ETC.

* * * * *
 SECTION 386. In actions respecting mining-claims, proof shall be admitted of the customs, usages, and regulations established and in force in the mining districts embracing such claim; and such customs, usages, and regulations, when not in conflict with the laws of this state or of the United States, shall govern the decision of the action.

SEC. 387. Whenever any person, company, or corporation shall have any right to, or interest in, any mine, lead, lode, or mining-claim which is in the possession of another person, company, or corporation, and for which a cause is pending in a court of record bringing into question the right or title to the same, and it shall be necessary for the ascertainment, enforcement, or protection of such right or interest that an inspection, examination, or survey of such mine, lead, lode, or mining-claim should be had or made, or whenever an inspection, examination, or survey of any mine, lead, lode or mining-claim shall be necessary to ascertain, protect, or enforce the right or interest of any person, company, or corporation in another mine, lead, lode, or mining-claim, and the person, company, or corporation in possession of such mine, lead, lode, or mining-claim of which an inspection, examination, or survey is necessary shall refuse, after three days' demand thereof in writing, to allow or permit such inspection, examination, or survey to be had or made, the party, company, or corporation desiring an inspection, examination, or survey of such mine, lead, lode, or mining-claim may present to the district court, or the judge thereof, of the county wherein the mine, lead, lode, or mining-claim of which an inspection, examination, or survey is desired is situated, a petition, under oath, setting out his or their right to, or interest in, such mine, lead, lode or mining-claim, describing it, the possession thereof, or of another mine, lead, lode, or mining-claim of which an inspection, examination, or survey is necessary by another company or corporation, the reason why it is necessary that such inspection, examination, or survey should be had or made, the demand made on the person, company, or corporation in possession to allow or permit such inspection, examination, or survey, and his or their refusal to allow or permit the same, and asking an order for the inspection, examination, or survey of such mine, lead, lode, or mining-claim, the court or judge may thereupon appoint a time and place for hearing such petition, and shall order notice thereof to be served on the adverse party, company, or corporation, which notice shall be served at least three days before the day of hearing. At the time and place appointed the court or judge shall proceed to hear the petition. Either party may read affidavits on the hearing in the same manner and subject to the same rules as on application to dissolve an injunction. If the court or judge be satisfied that the facts stated in the petition are true, an order shall be made for an inspection, examination, or survey of the mine, lead, lode, or mining-claim in question, in such manner, at such time, and by such persons as are mentioned in the order. Such persons shall thereupon have free access to such mine, lead, lode, or mining-claim for the purpose of such inspection, examination, or survey, in conformity with the order of the court or judge, and any interference with such persons while acting under such order shall be a contempt of court, and punished accordingly: *Provided*, That only three witnesses beside the surveyor shall be admitted on the part of the petitioner, and the costs of the proceeding shall abide the result of the suit.

SESSION LAWS, 1879.

AN ACT relating to location and representation of placer mining-claims, p. 140.

Be it enacted by the general assembly of the state of Colorado. SECTION 1. The discoverer of a placer-claim shall, within thirty days from the date of discovery, record his claim in the office of the recorder of the county in which said claim is situated, by a location certificate, which shall contain: First, the name of the claim, designating it as a placer-claim; second, the name of the locator; third, the date of location; fourth, the number of acres or feet claimed; and, fifth, a description of the claim by such reference to natural objects or permanent monuments as shall identify the claim. Before filing such location certificate the discoverer shall locate his claim: First, by posting upon such claim a plain sign or notice containing the name of the claim, the name of the locator, the date of discovery, and the number of acres or feet claimed; second, by marking the surface-boundaries with substantial posts, and sunk into the ground, to wit: one at each angle of the claim.

SEC. 2. On each placer-claim of one hundred and sixty acres or more, heretofore or hereafter located, and until a patent has been issued therefor, not less than one hundred dollars' worth of labor shall be performed or improvements made by the first day of August, 1879, and by the first day of August of each year thereafter. On all placer-claims containing less than one hundred and sixty acres the expenditure during each year shall be such proportion of one hundred dollars as the number of acres bears to one hundred and sixty. On all placer-claims containing less than twenty acres, the expenditure during each year shall not be less than twelve dollars; but when two or more claims lie contiguous and are owned by the same person, the expenditure hereby required for each claim may be made on any one claim; and upon a failure to comply with these conditions, the claim or claims upon which such failure occurred shall be open to relocation in the same manner as if no location of the same had ever been made: *Provided*, That the original locators, their heirs, assigns, or legal representatives have not resumed work

upon the claim after failure and before such location: *Provided*, The aforesaid expenditures may be made in building or repairing ditches to conduct water upon such ground, or in making other mining improvements necessary for the working of such claim. Upon the failure of any one of several co-owners to contribute his proportion of the expenditures required hereby, the co-owners who have performed the labor or made the improvements may, at the expiration of the year, to wit, the first of August, 1879, for the locations heretofore made, and one year from the date of locations hereafter made, give such delinquent co-owner personal notice in writing, or, if he be a non-resident of the state, a notice by publication in the newspaper published nearest the claim, for at least once a week for ninety days, and mailing him a copy of such newspaper, if his address be known, and if at the expiration of ninety days after such notice in writing, or after the first publication of such notice, such delinquent should fail or refuse to contribute his proportion of the expenditure required by this action, his interest in the claim shall become the property of his co-owners who have made the required expenditures.

NOTE.—The foregoing act was filed in the office of the secretary of state by the governor March 12, 1879, without his signature, and became a law under section eleven of article four of the constitution of the state of Colorado.

AN ACT to amend chapter nineteen (19) of the general laws of the state of Colorado, entitled "Corporations". (Approved February 8, 1879, p. 38.)

SECTION 1. That section twelve (12) of chapter nineteen (19) of the general laws of the state of Colorado, entitled "Corporations", be, and the same is hereby, amended by striking out the words "within sixty days" and "within the said sixty days" where they occur therein, so that the said section, as amended, shall read: The president and a majority of the directors or trustees, after the payment of the last installment of the capital stock so fixed and limited by the company, shall make a certificate stating the amount of the capital so fixed and paid in, which certificate shall be signed and sworn to by the president and a majority of the directors or trustees, and they shall record the same in the office of the secretary of state, and a copy in the office of the recorder of deeds of the county wherein the business of said company is carried on.

NOTE.—Sections 2 and 3 refer to savings-banks and religious corporations.

SEC. 4. Whenever the shareholders of any corporation, representing one-third or more of the stock thereof, shall request the trustees, president, or secretary thereof to call a special meeting of the stockholders for any purpose designated in such request (other than the purposes named in sections one hundred and twenty-two and one hundred and twenty-five of the chapter to which this is amendatory), it shall be the duty of such trustees, president, or secretary at once to call such special meeting, by delivering personally, or depositing in the post-office, a notice, properly addressed to each stockholder, signed by the president or secretary, stating the object and place of such meeting, as well as the time, which shall not be less than thirty nor more than forty days from the date of such notice, unless a longer time be expressed in the stockholders' request. If at any such special meeting the vote of a majority of all the stock lawfully issued shall be cast in favor of the proposition or measure designated in such request and notice, such proposition or measure shall thereby be adopted, and be binding on such corporation or company. The vote at every such meeting shall be by ballot, and each stockholder shall be entitled to as many votes as he owns shares of stock in said corporation.

AN ACT to provide a revenue for the support of the school of mines at Golden, and to repeal section twelve of chapter ninety-one of the general laws. (Approved February 8, 1879, p. 158.)

SECTION 1. That for the years 1879 and 1880 there shall be assessed and levied upon all taxable property, both real and personal, in this state, in each of said years, the following tax for the support of the school of mines, located at Golden, to wit: One-fifth (1-5) of one mill on each dollar of the yearly assessed value of such property, to be known as the school-of-mines tax, which shall be payable only in money, and shall be assessed, levied, and collected in the same manner and at the same time in each year as is now or may hereafter be prescribed for the assessment and collection of state revenue.

SEC. 2. The money raised by said tax shall be used for no other purpose than those purposes specified in said chapter ninety-one of the general laws, and shall be paid out by the state treasurer in the manner provided by section fourteen of chapter ninety-one of the general laws.

SEC. 3. Section twelve of chapter ninety-one of the general laws of this state is hereby repealed.

SESSION LAWS, 1881.

AN ACT to repeal chapter fifteen (XV) of the general laws of the state of Colorado, p. 62.

NOTE.—This act was filed in the office of the secretary of state by the governor March 15, 1881, without his signature, and became a law under and by virtue of the provisions of section eleven of article four of the constitution of the state of Colorado.

SECTION 1. That chapter fifteen (XV) of the general laws of the state of Colorado be, and the same is hereby, repealed.

SEC. 2. In the opinion of the general assembly an emergency exists; therefore this act shall take effect from and after its passage.

NOTE.—Chap. XV, hereby repealed, is "An act to establish the office of commissioner of mines", etc. (Gen. Laws, p. 126.)

AN ACT to permit domestic corporations doing business in other states to accept the laws of other states and territories. (Approved February 9, 1881, p. 67.)

SECTION 1. It shall and may be lawful for any corporation created or existing under the laws of this state for the purpose, among others, of exercising its franchises or carrying on part of its business beyond the limits of this state, and in another state or territory of the United States or elsewhere, to accept any law of such other state or territory of the United States, or foreign state and government, and to exercise within the territory of such other state or territory, or foreign state and government, all such authorities, powers, privileges, rights, and franchises as may be by such laws conferred, subject to such duties, liabilities, and restrictions as may by such laws be imposed.

AN ACT to secure liens to mechanics and others, and to repeal all other acts in relation thereto. (Approved February 12, 1881, p. 168.)

SECTION 1. All persons performing work or labor, or furnishing materials by contract, express or implied, with another or his agent, to the amount of not less than twenty-five dollars, on or for any structure upon the land of that other, or in or to which that other has an interest, tenancy, or claim of any sort whatever, shall have a lien upon such land and structure to the extent of such ownership, interest, claim, or tenancy at the time of the commencement of such work or labor, or furnishing such materials, and a lien on such structure where the other has no ownership, interest, tenancy, or claim of, in, or to such land, on complying with the terms of this act.

SEC. 2. Claimants of such lien shall file in the office of the clerk and recorder of the county wherein said land is situate, within forty days after the last of the labor is performed or materials furnished, a notice of claim substantially like the following:

[Place and date.]

To A. B. ——— :

You are indebted to me in the sum of ——— dollars for work and labor done (or materials furnished, as the case may be) by me, under a contract with you (or your agent), on the structure recently built (or repaired) by you, on lots ———, in block ———, in this city (or town), for which sum I claim a lien on said lots and structure.

C. D.

And said statement shall be sworn to by the party making the same before a competent officer, and said oath certified substantially in following form:

STATE OF COLORADO,
——— County, ss :

C. D., being this day duly sworn by me deposed and said that the sum of money mentioned in foregoing statement is justly due him from said A. B.

[Date.]

E. F., Notary Public. [SEAL.]

SEC. 3. It shall be the duty of the county clerk and recorder to record such statement in a separate book provided for that purpose, and from the time of such filing the amount so stated shall become a lien on said land or structure, or both, to the extent of the ownership, interest, claim, or tenancy as aforesaid of the debtor, subject, nevertheless, to adjudication as hereinafter set forth.

NOTE.—By section 4 subcontractors and others are to have liens and service of statement on owner or agent provided for. Section 5 provides notice as in section 2. Section 6 refers to building-lots.

SEC. 7. The provisions of this act shall also apply to contractors, subcontractors, mechanics, miners, laborers, and material-men performing work or labor or furnishing materials to the amount of not less than twenty-five dollars for the construction or repair of any railroad, tramway, toll-road, canal, water ditch, flume, aqueduct, or reservoir, or in or upon any mine, lode, or deposit yield [yielding] metals or mineral of any kind, or which is being worked in search of such metals or minerals, or upon any shaft, tunnel, adit, drift, or other excavation designed or used for the purpose of draining or working any such mine, lode, or deposit, and all such persons shall respectively have a lien, whether as contractors, subcontractors, mechanics, miners, laborers, or material-men, upon such railroad, tramway, toll-roads, canals, water ditch, flume, aqueduct, or reservoir, and all the franchises, charter privileges, priority of rights of water, and rights of way that may in anywise pertain to any such railroads, tramways, toll-roads, canals, water ditches, flumes, aqueducts, or reservoirs, and upon such mines, lodes, or deposits, and they shall claim and enforce the said liens in like manner as is herein provided as to liens claimed by the same class of persons in other

SEC. 16. *Relocating abandoned claims.*—The relocation of abandoned lode-claims shall be by sinking a new discovery shaft and fixing new boundaries, in the same manner as if it were the location of a new claim, or the relocater may sink the original shaft, cut, or add to a sufficient depth to comply with sections five and seven of this chapter, and erect new or adopt the old boundaries, renewing the posts if removed or destroyed. In either case a new location stake shall be erected. In any case, whether the whole or part of an abandoned claim is taken, the location certificate must state that the whole or any part of the new location is located as abandoned property.

SEC. 17. *One certificate one location.*—No location certificate shall claim more than one location, whether the location be made by one or several locators; and if it purport to claim more than one location, it shall be absolutely void except as to the first location therein described; and if they are described together, or so that it cannot be told which location is first described, the certificate shall be void as to all.

SEC. 18. *Fee for recording.*—The register of deeds shall be entitled to receive the sum of one dollar for each location certificate recorded and certified by him, and shall furnish the locator or locators with a certified copy of such certificate, when demanded, for which he shall be entitled to receive fifty cents.

Disputed mining property.

SEC. 19. *Judge may order survey of mine—Limitations.*—In all actions in any district court of this territory, wherein the title or right of possession to any mining-claim shall be in dispute, the said court, or the judge thereof, may, upon application of any of the parties to such suit, enter an order for the underground as well as the surface survey of such part of the property in dispute as may be necessary to a just determination of the question involved. Such order shall designate some competent surveyor, not related to any of the parties to such suit, or in anywise interested in the result of the same; and, upon the application of the party adverse to such application, the court may also appoint some competent surveyor, to be selected by such adverse applicant, whose duty it shall be to attend upon such survey and observe the method of making the same; said second survey to be at the cost of the party asking therefor. It shall also be lawful in such order to specify the names of witnesses named by either party, not exceeding three on each side, to examine such property, who shall be allowed to enter into such property and examine the same; such court, or the judge thereof, may also cause the removal of any rock, debris, or other obstacle in any of the drifts or shafts of said property, when such removal is shown to be necessary to a just determination of the question involved: *Provided, however,* That no such order shall be made for survey and inspection, except in open court or in chambers, upon notice of application of such order of at least six days, and not then except by agreement of parties, or upon the affidavit of two or more persons that such survey and inspection is necessary to the just determination of the suit, which affidavits shall state the facts in such case, and wherein the necessity for survey exists; nor shall such order be made unless it appears that the party asking therefor had been refused the privilege of survey and inspection by the adverse party.

SEC. 20. *Judge to issue writs of injunction.*—The district courts, or any judge thereof, sitting in chancery, shall have, in addition to the power already possessed, power to issue writs of injunction for affirmative relief, having the force and effect of a writ of restitution, restoring any person or persons to the possession of any mining property from which he or they may have been ousted by force and violence, or by fraud, or from which they are kept out of possession by threats, or whenever such possession was taken from him or them by entry of the adverse party on Sunday or a legal holiday, or while the party in possession was temporarily absent therefrom. The granting of such writ to extend only to the right of possession, under the facts of the case, in respect to the manner in which the possession was obtained, leaving the parties to their legal rights on all other questions as though no such writ had issued.

REVISED CODES, 1877: CIVIL CODE.

AN ACT to provide a civil code for the territory of Dakota. (Approved February 16, 1877; Rev. Codes, p. 254.)

CHAP. III.—ART. I.—THE CREATION OF CORPORATIONS.

SECTION 384. *Private, limited.*—Private corporations can be formed by the voluntary association of any three or more persons, and only as provided in this chapter. The legislative assembly cannot grant private charters or especial privileges, but they may, by general incorporation acts, permit persons to associate themselves together as bodies corporate, for mining, manufacturing, and other industrial pursuits, or the construction or operation of railroads, wagon roads, irrigating ditches, and the colonization and improvement of lands in connection therewith; or for colleges, seminaries, churches, libraries, or any benevolent, charitable, or scientific association, and for such other purposes as Congress may hereafter authorize. [Section 1889 of the Revised Statutes of the United States.]

SEC. 386. *Contents of articles.*—Articles of incorporation must be prepared setting forth:

1. The name of the corporation.
2. The purpose for which it is formed.

3. The place where its principal business is to be transacted.
4. The term for which it is to exist.
5. The number of its directors or trustees, and the names and residences of such of them who are to serve until the election of such officers, and their qualifications.
6. If there be a capital stock, its amount and the number of shares into which it is divided.

* * * * *

SEC. 388. *Three residents.*—The articles of incorporation must be subscribed by three or more persons, one-third of whom must be residents of this territory, and acknowledged by each before some officer authorized to take and certify acknowledgments of conveyances of real property.

* * * * *

SEC. 389. *Secretary's certificate.*—Upon filing the articles of incorporation with the secretary of the territory, the secretary of the territory must issue to the corporation, over the great seal of the territory, a certificate that a copy of the articles containing the required statement of facts has been filed in his office; and thereupon the persons signing the articles, and their associates and successors, shall be a body politic and corporate, by the name and for the purposes stated in the certificate.

SEC. 390. *Record by secretary.*—Upon the filing of any articles of incorporation and copy thereof, as in the last section is prescribed, the secretary of the territory must record the same in a book to be kept in his office for that purpose, to be called "the book of corporations", with the date of filing.

SEC. 391. *Copy—Evidence.*—A copy of any articles of incorporation filed in pursuance of this chapter, and certified by the secretary of the territory, must be received in all courts and other places as *prima-facie* evidence of the facts therein stated, and of the existence of such corporation.

ART. II.—*Corporate stock.*

SEC. 395. *Subscription enforced.*—A subscription to the stock of a corporation about to be formed is to be held for the benefit of the corporation when it is formed, and may be enforced by it.

SEC. 396. *Books opened.*—After the secretary of the territory issues the certificate of incorporation, as provided in section three hundred and eighty-nine, article one, of this chapter, the directors named in the articles of incorporation must proceed in the manner specified or provided in their by-laws; or, if none, then in such manner as they may by order adopt, to open books of subscription to the capital stock then unsubscribed, and to secure subscriptions to the full amount of the fixed capital, and to levy assessments and installments thereon, and to collect the same, as in article six of this chapter assessments of stock are provided to be made.

SEC. 397. *Forfeit or recover.*—When a corporation is authorized by the terms of subscription, or otherwise, to forfeit stock for non-payment, it may either forfeit the stock or recover the amount of the subscription, but it cannot do both.

SEC. 398. *Stock negotiable.*—1. All corporations for profit must issue certificates of stock when fully paid up, signed by the president and secretary, and may provide in their by-laws for issuing certificates prior to the full payment, under such restrictions and for such purposes as their by-laws may provide.

2. Whenever the capital stock of any corporation is divided into shares, and certificates therefor are issued, such shares of stock are personal property, and may be transferred by indorsement by the signature of the proprietor, or his attorney or legal representative, and delivery of the certificate; but such transfer is not valid, except between the parties thereto, until the same is so entered upon the books of the corporation as to show the names of the parties by and to whom transferred, the number or designation of the shares, and the date of the transfer.

SEC. 399. *Excess void.*—A corporation whose capital is limited by its charter, either in amount or in number of shares, cannot issue valid certificates in excess of the limit thus prescribed.

SEC. 400. *Corporation owning stock.*—Unless otherwise provided, a corporation may purchase, hold, and transfer shares of its own stock from its surplus profits, or as provided in the article on assessments of stock.

SEC. 401. *Dividend to whom.*—A dividend belongs to the person in whose name the stock stands upon the books of the corporation on the day when it becomes payable.

ART. III.—*Corporate powers.*

SEC. 402. *Powers classed.*—Every corporation, as such, has power:

1. To have succession, by its corporate name, for the period limited; and when no period is limited, perpetually.
2. To sue and be sued; to complain and defend in any court.
3. To make and use a common seal, and alter the same at pleasure.
4. To purchase, hold, transfer, and convey such real and personal property as the legitimate purposes of the corporation may require, not exceeding in any case any amount limited by law.
5. To appoint such subordinate officers and agents as the business of the corporation may require and to allow them suitable compensation.

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

7. To admit stockholders or members, and to sell their stock or shares for the payment of assessments or installments.

8. To enter into any obligations or contracts essential to the transaction of its ordinary affairs, or for the purposes of the corporation.

In addition to the above-enumerated powers, and to those expressly given in any other statute under which it is incorporated, no corporation shall possess or exercise any corporate powers except such as are necessary to the exercise of the powers enumerated and given.

SEC. 403. *By-laws—Who adopt.*—Every corporation formed under this chapter must, within one month after filing articles of incorporation, adopt a code of by-laws for its government not inconsistent with the laws of the United States or of this territory. The assent of stockholders representing a majority of all the subscribed capital stock, or of a majority of the members if there be no capital stock, is necessary to adopt by-laws, if they are adopted, at a meeting called for that purpose; and in the event of such meeting being called, two weeks' notice of the same by advertisement in some newspaper published in the county in which the principal place of business of the corporation is located, or if none is published therein, then in a paper published in an adjoining county, must be given by order of the acting president. The written assent of the holders of two-thirds of the stock, or of two-thirds of the members, if there be no capital stock, shall be effectual to adopt a code of by-laws without a meeting for that purpose.

SEC. 404. *Scope of by-laws.*—A corporation may by its by-laws, where no other provision is specially made, provide:

1. The time, place, and manner of calling and conducting its meetings;
2. The number of stockholders or members constituting a quorum;
3. The mode of voting by proxy;
4. The time of the annual election for directors, and the mode and manner of giving notice thereof;
5. The compensation and duties of officers;
6. The manner of election, and the tenure of office of all officers other than the directors; and,
7. Suitable penalties for violations of by-laws, not exceeding in any case one hundred dollars for any one offense.

SEC. 405. *Record—Certificate—Repeal of by-laws.*—All by-laws adopted must be certified by a majority of the directors and secretary of the corporation, and copied in a legible hand in some book kept in the office of the corporation, to be known as "the book of by-laws", and no by-law shall take effect until so copied, and the book shall then be opened to the inspection of the public during office hours of each day except holidays. The by-laws may be repealed or amended, or new by-laws may be adopted at the annual meeting, or at any other meeting of the stockholders or members, called for that purpose by the directors, by a vote representing two-thirds of the subscribed stock, or by two-thirds of the members; or the power to repeal and amend the by-laws, and to adopt new by-laws, may, by a similar vote at any such meeting, be delegated to the board of directors. The power when delegated may be revoked by a similar vote at any regular meeting of the stockholders or members. Whenever any amendment or new by-law is adopted, it shall be copied in the book of by-laws with the original by-laws, and immediately after them, and shall not take effect until so copied. If any by-law be repealed, the fact of repeal, with the date of the meeting at which the repeal was enacted, shall be stated in the said book, and until so stated the repeal shall not take effect.

SEC. 406. *Election of directors.*—1. The directors of a corporation must be elected annually by the stockholders or members, and if no provision is made in the by-laws for the time of election, the election must be held on the first Tuesday in June. Notice of such election must be given, and the right to vote determined, as provided in section four hundred and three.

2. At the first meeting at which the by-laws are adopted, or at such subsequent meeting as may be then designated, directors must be elected to hold their offices for one year and until their successors are elected and qualified.

3. All elections of directors must be by ballot, and a vote of stockholders representing a majority of the subscribed capital stock, or of a majority of the members, is necessary to a choice. If there be capital stock in the corporation, each stockholder is entitled to one vote for each share held by him at all such elections, and also at all elections at other meetings of stockholders.

SEC. 407. *Number and power of directors.*—The corporate powers, business, and property of all corporations formed under this chapter must be exercised, conducted, and controlled by a board of not less than three nor more than eleven directors, to be elected from among the holders of stock; or, where there is no capital stock, then from the members of such corporation. Directors of corporations for profit must be holders of stock therein in an amount to be fixed by the by-laws of the corporation. Directors of all other corporations must be members thereof. Unless a quorum is present and acting no business performed or act done is valid as against the corporation.

Whenever a vacancy occurs in the office of director, unless the by-laws of the corporation otherwise provide, such vacancy must be filled by an appointee of the board.

SEC. 408. *Organization*.—Immediately after their election the directors must organize by the election of a president, who must be one of their number, a secretary, and treasurer. They must perform the duties enjoined on them by law and the by-laws of the corporation. A majority of the directors is a sufficient number to form a board for the transaction of business, and every decision of a majority of the directors forming such board, made when duly assembled, is valid as a corporate act.

SEC. 409. *Dividends, debts, bad faith, limitations, and penalty*.—The directors of corporations must not make dividends except from the surplus profit arising from the business thereof; nor must they divide, withdraw, or pay to the stockholders, or any of them, any part of the capital stock; nor must they create debts beyond their subscribed capital stock, or reduce or increase their capital stock, except as specially provided by law. For a violation of the provisions of this 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; and no statute of limitations is a bar to any suit against such directors for any sums for which they are made liable by this section. There may, however, be a division and distribution of the capital stock of any corporation which remains after the payment of all its debts upon its dissolution or the expiration of its term of existence.

2. Any officer of a corporation who willfully gives a certificate, or willfully makes an official report, public notice, or entry in any of the records or books of the corporation, concerning the corporation or its business which is false in any material representation, shall be liable for all the damages resulting therefrom to any person injured thereby; and if two or more officers unite or participate in the commission of any of the acts herein designated, they shall be jointly and severally liable.

SEC. 410. *Removal of directors*.—No director shall be removed from office, unless by a vote of two-thirds of the members, or of stockholders holding two-thirds of the capital stock, at a general meeting held after notice of the time and place and of the intention to propose such removal. Meetings of stockholders for this purpose may be called by the president, or by a majority of the directors, or by members or stockholders holding at least one-half of the votes. Such calls must be in writing and addressed to the secretary, who must thereupon give notice of the time, place, and object of the meeting, and by whose order it was called. If the secretary refuse to give the notice, or if there is none, the call may be addressed directly to the members or stockholders, and be served as a notice, in which case it must specify the time and place of meeting. The notice must be given in the manner provided in section four hundred and three, unless other express provision has been made therefor in the by-laws. In case of removal the vacancy may be filled by election at the same meeting.

SEC. 411. *Quorum—Proxy*.—At all elections or votes had for any purpose, there must be a majority of the subscribed capital stock or of the members, represented either in person or by proxy in writing. Every person acting therein, in person, or by proxy, or representative, must be a member thereof or a *bona fide* stockholder, having stock in his own name on the stock-books of the corporation at least ten days prior to the election. Any vote or election had other than in accordance with the provisions of this article is voidable at the instance of absent stockholders or members, and may be set aside by petition to the district court of the county where the same was held. Any regular or called meeting of the stockholders or members may adjourn from day to day, or from time to time, if for any reason there is not present a majority of the subscribed stock or members, or no election or majority vote had; such adjournment and the reasons therefor being recorded in the journal of proceedings of the board of directors.

SEC. 412. *Election failing—Action—Place of meeting—Justice of peace may call*.—If from any cause an election does not take place on the day appointed in the by-laws, it may be held on any day thereafter, as is provided for in such by-laws, or to which such election may be adjourned or ordered by the directors. If an election has not been held at the appointed time, and no adjourned or other meeting for the purpose has been ordered by the directors, a meeting may be called by the stockholders, as provided in section four hundred and ten.

2. Upon the application of any person or body corporate aggrieved by any election held by any corporate body, or any proceedings thereof, the district judge of the district in which such election is held must proceed forthwith summarily to hear the allegations and proofs of the parties, or otherwise inquire into the matters of complaint, and thereupon confirm the election, order a new one, or direct such other relief in the premises as accords with right and justice. Before any proceedings are had under this section, five days' notice thereof must be given to the adverse party or those to be affected thereby.

3. The meetings of the stockholders and board of directors of a corporation must be held at its office or principal place of business.

4. When no provision is made in the by-laws for regular meetings of the directors and the mode of calling special meetings, all meetings must be called by special notice in writing, to be given to each director by the secretary, on the order of the president, or if there be none, on the order of two directors.