the vote at the town meeting had not been taken by ballot as required by the act of the legislature, but by a division of the house, without ballot. New Haven, &c. Railroad Co. *v.* Chatham, 42 Conn. 465 (1875). This case pronounced exceptional, Bloomfield *v.* Charter Oak Bank, 121 U. S. 121, citing the foregoing. See also Douglas *v.* Chatham, 41 Conn. 211. In submitting the question to vote whether a township will take stock in a railroad company, the township has the right to impose such conditions in regard thereto as it deems proper; and such conditions when imposed are binding, and the company will have no right to the subscription, or to compel the issue of the bonds, until the conditions are fully performed on its part, if the authorities have a discretion. People *v.* Holden, 91 Ill. 446. If the county authorities have a discretion to subscribe on a vote without conditions, the annexing of conditions will not deprive them of its exercise. People, *ex rel.*, &c. *v.* County Board of Cass County, 77 Ill. 438 (1875).

Except in controversies with *bona fide bondholders for value, the State courts have generally and properly, held*, that the power of a municipality to issue railroad aid bonds is dependent upon a strict compliance with the statute authorizing the issue of such bonds; and that when the power is conditional on a prior vote of the electors the statutory notice must be given. People *v.* Jackson County, 92 Ill. 444; Harding *v.* R. R. I. & St. L. R. R. Co., 65 Ill. 90 (1872); People *v.* Waynesville, 88 Ill. 469, in which it is held that one submission exhausts the power, and a subsequent one is *ultra vires: quære.* A subscription cannot be made to a *division* of a road. McWhorter *v.* People, 65 Ill. 290 (1872). *Power to issue upon compliance with conditions cannot be delegated.* Jackson County *v.* Brush, 77 Ill. 59 (1875); People *v.* Waynesville, *supra;* People *v.* Harper (vote need not fix time for bonds to run), 67 Ill. 62 (1873). *Cannot make a contract with railroad company for subscription before election.* People *v.* Cass County, 77 Ill. 438 (1875). *Submitting two propositions at same election.* Marshall *v.* Silliman, 61 Ill. 218 (1871); see also Garrigus *v.* Park County, 39 Ind. 66 (1872); State *v.* Roggen, 22 Neb. 118. Conditions, effect of non-observance. Alley *v.* Adam County, 76 Ill. 101 (1875). *Voting on unauthorized proposition.* Cairo, &c. Co. *v.* Sparta, 77 Ill. 505 (1875). *Election must be held according to the law governing it.* The People, &c. *v.* Supervisor, &c., 67 Ill. 57 (1873). See also the following cases: Wright *v.* Bishop, 88 Ill. 302; Edwards *v.* People, 88 Ill. 340; Williams *v.* Roberts, 88 Ill. 11; People *v.* Clayton, 88 Ill. 45; People *v.* Oldtown, 88 Ill. 202; Yarish *v.* R. R. Co., 72 Iowa, 556. *What is a majority vote.* McDowell *v.* Const. Co., 96 N. C. 514; State *v.* Bechell, 22 Neb. 158; *ante*, sec. 44, note and cases.

The reader is referred to chap. xiv. on Contracts, *post*, where the subject of *Municipal Bonds* is considered at large, with special reference to the decisions of the Supreme Court of the United States, which, generally speaking, are more favorable on certain points to the *bona fide* holders of such bonds than those of the State courts.

CHAPTER VII.

DISSOLUTION OF MUNICIPAL CORPORATIONS AND REPEAL OF CHARTERS.

In England.

§ 165 (109). **How dissolved.** — In England, a municipal corporation may be dissolved, —

1. By *an act of parliament*, this power being a necessary consequence of the omnipotence of that body in all matters of political institution.[1] The *king* may, by his prerogative, *create, but cannot dissolve or destroy* a corporation; may grant privileges, but when vested, cannot take them away.[2]

It has there often been declared that a municipal corporation may also be dissolved, —

2. By *the loss of an integral part*, or the loss of all or of the majority of the members of any integral part, without which it cannot transact its business, unless the parts that remain have the right to act or to restore the corporate succession.[3]

[1] Co. Litt. 176, note; 2 Kyd, 447; Rex *v.* Amery, 2 Term R. 515; Glover, 408; Angell & Ames, chap. xxii. sec. 767; 2 Kent Com. 305; County Comm'rs *v.* Cox, 6 Ind. 403; State *v.* Trustees, &c., 5 Ind. 77; *ante*, sec. 32, as to distinction between Royal and Parliamentary Corporations.

[2] *Ante*, secs. 32, 35; Rex *v.* Amery, *supra;* Regents of University *v.* Williams, 9 Gill & Johns. 365, 409 (1838). In this case, *Buchanan*, J., in substance, observes: The crown may create, but cannot, at pleasure, dissolve a corporation, or, without its consent, alter or amend its charter. Parliament may do this; but, restrained by public opinion, it has not undertaken to dissolve any private corporation since the time of Henry VIII., so that the power to do so rests wholly in theory. In 1783 a bill was proposed to remodel the East India Company. Lord *Thurlow* opposed it as subversive of the law and constitution, and, in strong, nervous language, declared it to be "an atrocious violation of private property, which cut every Englishman to the bone."

[3] Willc. on Corp. 325, chap. vii. This chapter contains an interesting discussion of the question of dissolution, and it would seem that the author, notwithstanding the occasional judgments and the many and broad *dicta* in the books, doubts whether there can be an *actual and total dissolution* of a municipal corporation, either by the loss of an integral part, or by surrender, or by forfeiture. But see 2 Kyd, chap. v.; Glover, chap. xx.; Angell & Ames, sec. 769; and particularly Rex *v.* Morris and Rex *v.* Stewart, 3 East, 213; 4 East, 17. *Integral parts defined. Ante*, sec. 35. In Rex *v.* Passmore, 3 Term R. 241, where the subject was much considered, Lord *Kenyon* observed, "When *an integral part of a corporation is gone*, without whose existence the functions of the corporation cannot be exercised, and the corporation has no manner of supplying the integral

3. By a *surrender of the franchise of being a corporation to the crown*, whose acceptance is necessary; and to be effectual the surrender must be enrolled in chancery. The power to surrender has been much questioned; the argument in favor of it being, that since by royal grant and acceptance a corporation may be created, so by surrender and acceptance it may be annulled. It is admitted, however, that a corporation created or confirmed by parliament or statute cannot dissolve itself by a surrender of its charter or franchise.[1]

4. By *forfeiture of its charter*, through negligence or abuse of its franchise, judicially ascertained by proceedings in *quo warranto* or *scire facias*. This mode of dissolution proceeds upon the doctrine, well settled as to *private* corporations, both in England and in this country, and perhaps settled in that country, also, as respects the old municipal corporations when created by royal charter, that there is a tacit or implied condition annexed to the grant of every act or charter of incorporation that the grantees shall not neglect to use and shall not misapply the powers granted, and that if they do, the condition is broken upon which the corporation was created, and the corporation thereupon ceases to exist. And in the cases in the time of Charles II. it was held that the corporation might forfeit its franchise by reason of the *neglect or misconduct of its officers*.[2]

part, the corporation is dissolved as to *certain purposes*. But the king may renovate either with the old or new corporators."

The leading authorities respecting the effect of the *loss of an integral part* are, 1 Rol. Abr. 514; Regina *v.* Bewdley, 1 P. Wms. 207; Banbury's Case, 10 Mod. 346; Rex *v.* Tregony, 8 Mod. 129; Colchester *v.* Seaber, 3 Burr. 1870; s. c. 1 Wm. Bl. 591, which, however, is said not to be a case of the loss of an integral part, but of magistrates. Grant Corp. 305, note; Rex *v.* Passmore, 3 Term R. 241. The foregoing cases are succinctly stated by Mr. Kyd, 2 Corp. chap. v. See, also, Mayor, etc. of Colchester *v.* Brooke, 7 Queen's B. 383, and Mr. Justice *Campbell's* learned opinion in Bacon *v.* Robertson, 18 How. (U. S.) 480 (1855); *infra*, sec. 169, note; People *v.* Wren, 4 Scam. (5 Ill.) 275, citing and relying on Colchester *v.* Seaber, *supra:* Smith's Case, 4 Mod. 53; Smith *v.* Smith, 3 Desaus. (S. C.) 557; Welch *v.* Ste. Genevieve, 1 Dillon C. C. 130; chapters on Corporate Officers and Corporate Meetings, *post*.

[1] Rex *v.* Osbourne, 4 East, 326; Rex *v.* Miller, 6 Term R. 277; Willc. 332, pl. 861; Howard's Case, Hutt. 87; Grant on Corp. 306, 308; Thicknesse *v.* Canal Co., 4 M. & W. 472.

[2] Black. Com. 485; 2 Kyd, 447; Willc. chap. vii. 325 *et seq.;* Taylors of Ipswich, 1 Rol. 5; Rex *v.* Grosvenor, 7 Mod. 199; Smith's Case, 4 Mod. 55, 58; s. c. 12 Mod. 17; Skin. 311; 1 Show. 278; Rex *v.* Saunders, 3 East, 119; Mayor, &c. of Lyme *v.* Henley, 2 Cl. & F. 331; Rex *v.* Kent, 13 East, 220; Priestly *v.* Foulds, 2 Scott N. R. 205, 225; Attorney-General *v.* Shrewsbury, 6 Beav. 220. See reference *arguendo* to subject of forfeiture of municipal charter, in Whalen *v.* Macomb, 76 Ill. 49 (1875). The earlier American cases relating to the *dissolution of private corporations* by forfeiture of their charters; what will constitute sufficient ground of forfeiture; and the mode of proceeding to ascertain and enforce the forfeiture, are collected, and the result very clearly and satisfactorily stated, in Angell & Ames on Corporations, chap. xxii. See, also, 2 Kent Com. 305.

In the United States.

§ 166 (110). **How dissolved.** — These *various modes of dissolution*, except the first, are believed by the author to be inapplicable to municipal corporations in this country as they are generally created and constituted. Here it is the *people* of the locality who are erected into a corporation, not for private, but for public or *quasi* public purposes. The corporation is mainly and primarily if not wholly an instrument of government. The officers do not constitute the corporation, or an integral part of it. The existence of the corporation does not depend upon the existence of officers. The qualified voters or electors have, indeed, the right to select officers, but such officers are the mere agents or servants of the corporation, and hence the doctrine of a dissolution by the loss of an integral part has, in such cases, no place. If all the people of the defined locality should wholly remove from or desert it, the corporation would, from necessity, be suspended or dormant, or perhaps entirely cease; but the mere neglect or mere failure to elect officers will not *dissolve* the corporation, certainly not while the right or capacity to

Private corporations may lose their legal existence, 1. By the act of the legislature; 2. By the death of all their members; 3. By a forfeiture of their franchises, and 4. By a surrender of their charter. No other mode of dissolution is anywhere alluded to. Boston Glass Manuf. *v.* Langdon, 24 Pick. 49, 52, *per Morton*, J.; Commonwealth *v.* Union Ins. Co., 5 Mass. 230, 232; Riddle *v.* Locks and Canals, 7 Mass. 169; School *v.* Canal, &c. Co., 9 Ohio, 203; Canal Co. *v.* Railroad Co., 4 Gill & Johns. 1; Vincennes University *v.* Indiana, 14 How. 268. Legislative power under the head of various constitutional provisions concerning the division, annexation and consolidation, modification of charter, dissolution, and nature of corporate property as affecting the rights of creditors and others. See 21 American Law Review, 14. The *dissolution of a private corporation* by authorized legislative act or judicial sentence, does not impair the obligation of a contract any more than the death of a private person impairs the obligation of his contract. This doctrine was based by the court (8 Pet. 281, cited, *infra*), upon two grounds: *First*, the obligation survives, and the creditors may enforce their claims against any property belonging to the corporation which has not passed into the hands of *bona fide* purchasers; *second*, every creditor is presumed to contract with reference to a possibility of the dissolution of a corporate body. Mumma *v.* Potomac Co. (holding that on *sci. fa.* a judgment could not be revived, or costs adjudged, against a corporation legislatively annulled), 8 Pet. (U. S.) 281 (1834). Of *dissolution by act of the legislature* and its effect on the corporation, its property and creditors, see the recent case decided by the Court of Appeals of New York, in reference to the surface railway on Broadway in New York city. People *v.* O'Brien, 111 N. Y. 1 (1888). *Ante*, chap. iv., sec. 68*a et seq.*

Mr. Grant, in his work on Corporations, considers it doubtful whether an *information* in the nature of *quo warranto* will lie, in England, against parliamentary or statute corporations, for usurping powers not given, or misusing those conferred (Corp. 307, 308; Rex *v.* Nicholson, 1 Str. 299); but in this country, the law as to private corporations is indisputably settled, that in such cases an information of this kind may be brought.

elect remains.[1] In this respect municipal corporations resemble ordinary private corporations, which exist *per se*, and consist of the stockholders who compose the company. The officers are their agents or servants, but do not constitute an integral part of their corporation, the failure to elect whom may suspend the functions, but will not dissolve the corporation.[2]

§ 167 (111). **Surrender of Charter.** — Since all of our charters of incorporation come from the legislature,[3] a municipal corporation cannot dissolve itself by a *surrender* of its franchise. The State creates such corporations for *public* ends, and they will and must continue until the legislature annuls or destroys them, or authorizes it to be done. If there could be such a thing as a surrender, it would, from necessity, have to be made to the legislature, and its acceptance would have to be manifested by appropriate legislative action.[4]

[1] Willc. chap. vii. and observations at pp. 325, 326, 327, pl. 852; Colchester *v.* Seaber, 3 Burr. (1866); Colchester *v.* Brooke, 7 Queen's B. 383; Rex *v.* Passmore, 3 Term R. 241; Grant on Corp. 308; Bacon *v.* Robertson, 18 How. 480; Lowber *v.* Mayor, &c. of New York, 5 Abb. Pr. 325; Clarke *v.* Rochester, 5 Abb. Pr. 107; Welch *v.* Ste. Genevieve, 1 Dillon C. C. 130 (1871). That the *failure to elect officers does not dissolve*, while the capacity to elect remains, see, also, Philips *v.* Wickam, 1 Paige Ch. 590; Commonwealth *v.* Cullen, 1 Harris (Pa.), 133; President *v.* Thompson, 20 Ill. 197; Rose *v.* Turnpike Co., 3 Watts (Pa.), 46; People *v.* Wren, 4 Scam. (5 Ill.) 275; Brown *v.* Insurance Co., 3 La. An. 177; Welch *v.* Ste. Genevieve, *supra;* Green Township, 9 Watts & S. (Pa.) 22; Vincennes University *v.* Indiana, 14 How. 268; Muscatine Turnverein *v.* Funck, 18 Iowa, 469; Schriber *v.* Langdale, 66 Wis. 616. In Lea *v.* Hernandez, 10 Tex. 137 (1853), it appeared that a place was incorporated as a town prior to 1848, that in the year just named the legislature passed an act to incorporate the town, and that no election for officers nor any organization was had thereunder for three years and down to the commencement of the action, nor were there any officers *de facto* acting. The court held that the failure to elect officers operated to dissolve the corporation, there being no express provision of the charter to the contrary. But no authorities are cited and no reasons given, and the conclusion that an actual dissolution of the corporation resulted from a failure to elect, is believed to be unsound.

The existence of a municipal corporation is not considered to be interrupted in consequence of a change in the council. Elmendorf *v.* Ewen, 2 N. Y. Leg. Obs. 85; Elmendorf *v.* Mayor, &c. of New York, 25 Wend. 693. Further, see chapters relating to Corporate Officers and Corporate Meetings, *post*.

[2] Angell & Ames on Corp. sec. 771, and cases there cited; People *v.* Fairbury, 51 Ill. 149 (1869).

[3] *Ante*, secs. 37, 43, 54.

[4] "The creation of a corporate franchise is an attribute of sovereignty to be exercised solely by the supreme power of the State. Such franchise being amenable only to the power of its creation, it follows that this power alone can question the legality of its existence, by such proceedings as in its wisdom it may adopt." *Bonner*, J. Brennan *v.* Bradshaw, 53 Tex. 330. Municipal corporations incorporated under a general act, containing provisions for their dissolution, can be disincorporated in the method prescribed in the act. Hambleton *v.* Town of Dexter, 89 Mo. 188

§ 168 (112). **Forfeiture of Corporate Existence.** — The doctrine of a *forfeiture of the right to be a corporation* has also, it is believed by the author, no just or proper application to our *municipal* corporations.[1] If they neglect to use powers in which the public or individuals have an interest, and the exercise of such powers be not discretionary, the courts will interfere and compel them to do their duty.[2] On the other hand, acts done beyond the powers granted are void.[3] If private rights are threatened or invaded, the courts will, as hereafter shown, restrain or redress the injury.[4] With what surprise would we hear of a proceeding to forfeit the charter of the city of New York or Chicago because of the misconduct of its officers, or because the common council, as in the famous case against the city of London, were assuming to exercise unauthorized powers by ordaining an oppressive by-law. In short, unless otherwise specially provided by the legislature, the nature and constitution of our municipal corporations, as well as the purposes they are created to subserve, are such that they can, in the author's judgment, only be dissolved by the legislature, or pursuant to legislative enactment.[5] They may become inert or dormant, or their functions may be suspended, for want of officers or of inhabitants; but *dissolved*, when created by an act of the legislature, and once in existence, they cannot be, by reason of any default or abuse of the powers conferred, either on the part of the officers or inhabitants of the incorporated place. As they can exist only by legislative sanction, so they cannot be dissolved or cease to exist except by legislative consent or pursuant to legislative provision.

It is also held, in accordance with the text, that *franchises* granted to municipal corporations *cannot be surrendered* by them. A city owning the franchise of collecting toll on freight passing through the channel of a river, contracted with a firm that, in consideration of city bonds delivered, the firm should construct and maintain the channel, collect tolls, and, with the proceeds, pay off the bonds. In answer to an information in the nature of *quo warranto* requiring the city and the firm to show cause why they assumed authority to collect tolls, the city disclaimed all right to collect them, and asked that the proceeding be dismissed as to it. *Held*, that the city could not be divested of so valuable a right without a hearing in court, and was a necessary party to the proceeding. *Willie*, C. J., said: "It is extremely doubtful whether a municipal corporation can, by a mere disclaimer, surrender a franchise in which not only the corporation, but a large portion of the State's population residing within the city's limits, as well as of the commercial world, are interested." Morris *v.* State, 65 Tex. 53.

[1] See Welch *v.* Ste. Genevieve, 1 Dillon C. C. 130 (1871), *arguendo*.

[2] *Ante*, chap. v. sec. 98; *post*, chapter on Mandamus.

[3] *Ante*, sec. 89, and notes.

[4] See chapter xxii. on Remedies to prevent, correct, and redress Illegal Corporate Acts, *post*, secs. 906–934.

[5] Meriwether *v.* Garrett, 102 U. S. 472 (1880); Mobile *v.* Watson, 116 U. S. 289 (1885). More fully see, *ante*, chap. iv. secs. 57–69, and *post*, secs. 169 *a*, 170.

§ 169 (113). **Effect of Dissolution at Common Law.** — At *common law*, a corporation, of whatever kind, which was wholly dissolved, was considered to be civilly dead; and *the effect was that their lands reverted to the grantor* or his heirs, and *the debts* of the corporation, whether owing to or by it, were extinguished. Leases made by the corporation would cease because of the reversion of the lands to the original owners; and, for the same reason, lands given to or held by the corporation for charitable purposes would be lost.[1] These inconveniences and results are so disastrous that the English courts, as the more recent cases before cited will show, have doubted and limited, although they may not have overthrown, the doctrine that municipal corporations may be *totally* dissolved. These consequences of a dissolution of a corporation attached to *all* corporations, eleemosynary, municipal, and private; and since this doctrine has, in this country, been generally rejected as to private corporations organized for pecuniary profit, and rests upon no foundation in reason or justice, it may perhaps safely be affirmed that it would not, on full consideration, be applied to the dissolution of a municipal corporation by an absolute and unconditional repeal of its charter, or to the case where the charter of such a corporation is forfeited, if that may be done, by judicial sentence. Therefore, the leases of a corporation would not be disturbed by its dissolution, nor would its lands held in fee revert, nor would those held in trust for charitable purposes be lost, since equity would supply trustees.[2]

[1] Co. Litt. 13; 1 Lev. 237; Knight *v.* Wells, 1 Lut. 519; Rex *v.* Sanders, 3 East, 119; Attorney-General *v.* Gower, 9 Mod. 226; 1 Rol. Abr. 816; Colchester *v.* Seaber, 3 Burr. (1866); Willc. 330, pl. 858; 2 Kyd, 516; Rex *v.* Passmore, 3 Term R. 247; Grant, Corp. 305; Colchester *v.* Brooke, 7 Queen's B. 383; Commonwealth *v.* Roxbury, 9 Gray, 510, note.

[2] *Ante*, secs. 64, 80; chapters on Corporate Boundaries and Property, *post*. Bacon *v.* Robertson, 18 How. (U. S.) 480 (1855); Girard *v.* Philadelphia, 7 Wall. 1 (1868); Mumma *v.* Potomac Co., 8 Pet. 281 (1834); Curran *v.* Arkansas, 15 How. (U. S.) 312; 2 Kent, 307, note; Angell & Ames, Corp. 779 *a*; Coulter *v.* Robertson, 24 Miss. 278; County Comm'rs *v.* Cox, 6 Ind. 403; State *v.* Trustees, &c. 5 Ind. 77; Vincennes University *v.* Indiana, 14 How. 268; Owen *v.* Smith, 31 Barb. 641; Commonwealth *v.* Roxbury, 9 Gray, 510, note. See also *Broadway Railway Case*, decided by the Court of Appeals of New York, 1888. People *v.* O'Brien, 111 N. Y. 1. *Ante*, sec. 68 *a*.

The general subject of the *effect of a dissolution of a private corporation* is extensively discussed by Mr. Justice *Campbell*, in Bacon *v.* Robertson, *supra*. The case was a bill in chancery by the stockholders of a bank, whose charter had been judicially forfeited, for a distribution of the surplus after the payment of the debts, and the relief was granted. The Supreme Court of the United States seemed to be of opinion that, upon the *general principles of equity jurisprudence, and without statutory aid*, the surplus of the assets of a corporation for pecuniary profit, after the payment of debts and expenses, belonged to the shareholders; that the creditor of such a corporation, dissolved or declared forfeited by judgment upon *quo warranto* or judicial sentence, has, without a statute to that effect, a claim in equity upon the corporate property for the satisfaction of his debt; that lands conveyed to the corporation in fee and for a full price do not revert, and that the stockholder, as to the surplus after paying the debts, stands upon grounds as high and has claims as irresistible as the creditor before had. The usual consequences of a dissolution, as stated by the text-writers, if correct, which was doubted, were deemed inapplicable to moneyed or trading corporations.

In the course of his admirable opinion, the learned justice observed: "The common law of Great Britain was deficient in supplying the instrumentalities for a speedy and just settlement of the affairs of an insolvent corporation whose charter had been forfeited by judicial sentence. The opinion usually expressed as to the effect of such a sentence was unsatisfactory and questioned. There had been *instances in Great Britain of the dissolution of public or ecclesiastical corporations* by the exertion of public authority, or as a consequence of the death of their members; and parliament and the courts had affirmed, in these instances, that the endowments they had received from the prince or pious founders would revert in such a case." *Stat. de Terris Templariorum*, 17 Edw. II.; Dean and Canons of Windsor, Godb. 211; Johnson *v.* Norway, Winch. 37; Owen, 73; 6 Vin. Abr. 280. What was to become of their personal estate, and of their debts and credits, had not been settled in any adjudicated case, and, as was said by *Pollexfen* in the argument of the *quo warranto* against the city of London, was, perhaps, "*non definitur in jure.*" (See *ante*, Introductory Chapter, sec. 8.) Solicitor *Finch*, who argued for the crown in that cause, admitted: "I do not find any judgment in a *quo warranto* of a corporation being forfeited." *Treby*, on behalf of the city, said: "The dissolving a corporation by a judgment in law, as is here sought, I believe is a thing that never came within the compass of any man's imagination till now; no, not so much as the putting of a case. For in all my search (and upon this occasion I have bestowed a great deal of time in searching), I cannot find that it even so much as entered into the conception of any man before; and I am the more confirmed in it because so learned a gentleman as Mr. Solicitor has not cited any one such case wherein it has been (I do not say adjudged, but) even so much as questioned or attempted; and, therefore, I may very boldly call this a case *primæ impressionis.*" The argument of *Pollexfen* was equally positive.

The power of courts to adjudge a forfeiture so as to dissolve a corporation was affirmed in that case, but the effect of that judgment was not illustrated by any execution, and the courts were relieved from their embarrassment by an act of parliament annulling it. Smith's case, 4 Mod. 53; Skin. 310; 8 St. Trials, 1342. See *ib.* 1042. Nor have the discussions

§ 169 *a*. **Effect of Dissolution in this Country.** — The correctness of the prediction which the author ventured in the last section to make, that *the common-law consequences of the dissolution of a corporation would not be applied in this country* to the dissolution of a municipal corporation, has since been adjudged by the Supreme Court of the United States, and by other tribunals. The legislature absolutely repealed the charter of an indebted city, abolished all of the municipal offices therein, and established in the place of the late city government, a new local organization with the means of self-government. The acts which abolished the old and established the new organization made no provision for the payment of debts of the annihilated city corporation, and, in fact, provided that the successor organization should not be liable therefor, and that any taxes raised within the new organization should not be applied for the payment of the debts of the late corporation.