

CHAPTER 367—H. F. No. 90

An act to legalize and validate the defective execution of deeds, mortgages and other instruments, and the record thereof.

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

Section 1. Defective execution of deeds and mortgages legalized.—That in all cases where deeds, mortgages or other instruments affecting real estate within this state, or letters of attorney authorizing the same, have heretofore been actually recorded in the office of the register of deeds of the county where the real estate thereby affected was, at the time of making of such records, or is situate, whether such deeds or other instruments were duly or properly admitted to record or otherwise, all such instruments and the record thereof are hereby legalized and confirmed; and all such records may nevertheless be read in evidence in any court within this state, and shall be received as prima facie evidence of the contents of the original instruments of which they purport to be records;

And all such records shall in all respects have the same force and effect as they would have if such original instruments at the time that they were so recorded had been legally entitled to record and were legally recorded.

Sec. 2. Authenticated copies may be used as evidence.—That duly authenticated copies of such records may be read in evidence in any court within this state, with the same effect as the records themselves aforesaid.

Provided, that nothing in this act shall be held to apply to any action heretofore commenced or now pending in any of the courts in this state nor to any deed, mortgage or other instrument or the record thereof, on which any mortgage registry tax provided by law has not been paid.

Approved April 22, 1927.

CHAPTER 368—H. F. No. 186

An act to amend Section 7714, General Statutes 1923, relating to investments of savings banks.

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

Section 1. Authorized securities.—That Section 7714, General Statutes 1923 be and the same is hereby amended so as to read as follows:

Section 7714. The term "authorized securities" whenever used in the statutes and laws of this state shall be understood as referring to the following described securities in which the Trustees of any savings bank shall invest the money deposited therein, and in which a corporate Trustee may invest all moneys received by it in

trust, but subject to the provisions of Section 7735, General Statutes 1923. Authorized securities shall be deemed to be securities which at the time of the purchase thereof are included in one or more of the following classes:

1. In the bonds or other interest-bearing obligations of the United States, or in securities for the payment of which and interest thereon the faith of the government is pledged.

2. In the bonds or notes of any state which has not defaulted in the payment of any bonded debt within ten years prior to the making of such investment.

3. In the bonds of any county, city, town, village, school, drainage or other district created pursuant to law for public purposes in Minnesota, or in any warrant, order, or interest-bearing obligation issued by the state, or by any city, city board, town or county therein, provided that the net indebtedness of any such municipality or district, as net indebtedness is defined by Revised Laws of 1905, Section 777, and its amendments, shall not exceed ten per cent of its assessed valuation, or in the bonds of any county, city, town, village, school, drainage or other district created pursuant to law for public purposes in Iowa, Wisconsin and North and South Dakota, or in the bonds of any city, county, town, village, school district, drainage or other district created pursuant to law for public purposes in the United States, containing at least 3,500 inhabitants, provided that the total bonded indebtedness of any such municipality or district shall not exceed ten per cent of its assessed valuation.

4. In notes or bonds secured by mortgages or trust deed on unencumbered real estate in Minnesota, Wisconsin, Iowa, North Dakota, South Dakota and Montana, worth when improved at least twice and when unimproved at least three times the amount loaned thereon. But not more than seventy per cent of the whole amount of the moneys of the bank shall be so loaned and such investments shall be made only on report of a committee directed to investigate the same and report its value, according to the judgment of its members, and its report shall be preserved among the bank's records.

5. In notes secured by such bonds or mortgages, as the bank under this section is authorized to invest in, but no such bond or mortgage shall be taken as collateral security for more than its par value, nor shall the aggregate amount of securities taken be less than the full amount loaned thereon, and no such loan shall be made for a longer time than one year, nor to a greater amount to any one person than three percent of the total deposits of the bank. No such bank shall loan in the aggregate, on the security specified in this paragraph, more than one-fourth of its deposits.

6. In the bonds of any railroad company which are secured by first lien upon a railroad within the United States, *or a portion thereof, which shall be a first lien upon not less than one hundred miles of main line track thereof*, or in the mortgage bonds of any such company of an issue to retire all prior mortgage indebtedness thereof, or in the bonds of any railroad company in the United States which are guaranteed or assumed by another railroad company within the United States; provided that the railroad company, except one whose bonds are so guaranteed or assumed, either issuing, guaranteeing, or assuming any of such bonds, has not within five years prior to such investment failed in the payment of a dividend upon its entire capital stock outstanding of not less than four per cent per annum each fiscal year, and has not within such time defaulted in the payment of any part of the principal or interest of any debt incurred by it and secured by trust deed or mortgage upon its road or any part thereof, or in the payment of any part of the principal or interest of any bonds guaranteed or assumed by it, *or in the bonds of any railroad company which have been outstanding not less than fifteen years and which are secured by first lien upon a railroad within the United States, or a portion thereof, which shall be a first lien upon not less than one hundred miles of main line track thereof, upon which bonds there has been no default in the payment of interest in the fifteen years next prior to such investment, or in bonds of corporations secured by a mortgage upon railroad terminals in cities of not less than two hundred thousand population, and which shall be guaranteed by a railroad company that has not defaulted in the payment of interest on any of its bonds for a period of at least ten years prior to the date of such purchase.* But no such banks should loan upon or invest in railroad bonds to an amount exceeding in the aggregate *twenty-five* per cent of its deposits, nor exceeding five per cent of its deposits in the bonds issued, guaranteed, or assumed by any one railroad company.

7. In farm loan bonds issued by *any* federal land bank or by a joint stock land bank in *the Federal Reserve* district in which *Minnesota is situate*, in accordance with the provisions of an act of Congress of the United States of July 17, 1916, known and designated as 'The Federal Farm Loan Act,' and acts amendatory thereto.

8. In bankers' acceptances of the kind and character following:

a. Bankers' acceptances of the kind and maturities made eligible by law for rediscount with or purchase by federal reserve banks, providing the same are accepted or endorsed by a bank, or trust company incorporated under the laws of this state; of by any bank or trust company in the United States which is a member of the federal reserve system.

b. Not more than twenty percent of the assets of any savings bank shall be invested in such acceptances. Not more than seven per cent of the aggregate amount credited to the depositors of any savings bank shall be invested in the acceptances of or deposited with a trust and banking company or with a national bank of which a trustee of such savings bank is a director.

9. In equipment obligations or equipment trust certificates: Provided, that such obligations or certificates mature not later than fifteen years from their date and are issued or guaranteed by a corporation to which a loan or loans for the construction, acquisition, purchase or lease of equipment have been made or approved by the interstate commerce commission, under authority conferred by act of congress of the United States of America or are secured by or *are* evidence of a prior or preferred lien upon interest in, or of reservation of title to, the equipment in respect of which they have been sold, or by an assignment of or prior interest in the rent or purchase notes given for the hiring or purchase of such equipment, and provided further, that the total amount of principal of such issue of equipment obligations or trust certificates shall not exceed *seventy-five* per cent of the cost or purchase price of the equipment in respect of which they were issued. The remaining *twenty-five* per cent of said cost or purchase price having been paid by or for the account of the railroad so constructing, requiring, purchasing or leasing said equipment, or by funds loaned or advanced for the purpose by the government of the United States or one of its agencies or instrumentalities and subordinated in the event of default, in respect of the lien or interest thereof upon or in such equipment or rent or purchase notes, to the lien or interest of said prior or preferred equipment obligations or equipment trust certificates.

Approved April 22, 1927.

CHAPTER 369—H. F. No. 414

An act relating to the reimbursement to counties for moneys expended by them in permanently improving roads described in Article 16 of the constitution of the State of Minnesota.

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

Section 1. Reimbursement of counties.—In every case where a county has heretofore become entitled to reimbursement out of the trunk highway fund under the provisions of General Laws 1921, chapter 522, General Laws 1923, chapter 346, of General Laws 1925, chapter 410, Laws 1927, Chapter