

Sec. 2. May become members of Federal Home Loan Bank System, etc.—Any corporation is hereby empowered and authorized to become a member of, or stockholder in any such agency and to that end to purchase stock in or securities of or deposit money with such agency and/or to comply with any other conditions of membership or credit; to borrow money from such agency upon such rates of interest, not exceeding the contract rate of interest in this State, and upon such terms and conditions as may be agreed upon by such corporation and such agency for the purpose of making loans, paying withdrawals, paying maturities, paying debts, and for any other purpose not inconsistent with the objects of the corporation; and provided further that the aggregate amount of the indebtedness, so incurred by such corporation, which shall be outstanding at any time shall not exceed twenty-five per centum of the then total assets of the corporation; to assign, pledge and hypothecate its bonds, mortgages or other assets, and in the case of building and loan association, to repledge with such agency the shares of stock in such association which any owner thereof may have pledged as collateral security, without obtaining the consent thereunto of such owner, as security for the repayment of the indebtedness so created by such corporation and as evidenced by its note or other evidence of indebtedness given for such borrowed money; and to do any and all things which shall or may be necessary or convenient in order to comply with and to obtain the benefits of the provisions of any Act of Congress creating such agency, or any amendments thereto.

Approved March 20, 1933.

CHAPTER 102—S. F. No. 784

An act relating to the expenses of building and loan associations.

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

Section 1. Expenses of Building & Loan Associations.—No building and loan association, now or hereafter organized under the laws of this state, shall hereafter be permitted to pay or agree to pay to any person or corporation an agreed percentage of its stock payments or other assets, or make any payment whatsoever, in consideration of the payment by such person or corporation of the expenses of such building and loan association either in whole or in part. The intent of this act is that building and loan associations shall pay their actual expenses within the limitations imposed by law, directly to their creditors, and not through the medium of third parties; but this act shall not apply to existing contracts or to payments made or to be made pursuant thereto.

Approved March 20, 1933.