

## CHAPTER 87—S. F. No. 375

*An act to amend Laws 1929, Chapter 111, Section 1, Subsections 1 and 2, as amended by Laws 1935, Chapter 365, regulating the investment of the funds of domestic life insurance companies.*

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

Section 1. **Legal investments for domestic life insurance companies.**—That Laws 1929, Chapter 111, Section 1, Subsection 1, as amended by Laws 1935, Chapter 365, is hereby amended so as to read as follows :

“(1). Bonds or treasury notes of the United States; bonds of this state or of any state of the United States, or of the Dominion of Canada or any province thereof; bonds of any county, city, town, village, organized school district, municipality or civil division of this state, or of any state of the United States or of any province of the Dominion of Canada; debentures issued by the Federal Housing Administrator; and obligations of national mortgage associations.”

Sec. 2. **Same.**—That Laws 1929, Chapter 111, Section 1, Subsection 2, as amended by Laws 1935, Chapter 365, is hereby amended so as to read as follows :

“(2). Notes or bonds secured by first mortgage, or trust deed in the nature thereof, on improved real estate in this or any other state of the United States having a value of at least twice the amount of the loan secured thereby, but no improvement shall be included in estimating such value unless the same shall be insured against fire by policies payable to and held by the security holder or a trustee for its benefit; also, if approved by the commissioner of insurance, notes or bonds secured by mortgage or trust deed upon leasehold estates in improved real property where forty years or more of the term is unexpired and where unencumbered except by the lien reserved in the lease for the payment of rentals and the observance of the other covenants, terms and conditions of the lease and where the mortgagee, upon default, is entitled to be subrogated to, or to exercise, all the rights and to perform all the covenants of the lessee, provided that no loan on such leasehold estate shall exceed fifty percent of the fair market value thereof at the time of such loan, and the value thereof shall be shown by the sworn certificate of a competent appraiser; notes or bonds secured by mortgage, or trust deed in the nature thereof, *which the Federal Housing Administrator has insured or made a commitment to insure.*”

Approved March 23, 1937.