

any lawful order of the commerce commission, shall be fined not more than \$5,000, or imprisoned for not more than three years, or both fined and imprisoned.

Sec. 2. **Law amended.**—Mason's Minnesota Statutes of 1927, Section 4000-7, is amended to read as follows:

4000-7. **Sales exempted from operation of law.**—This act shall not apply to any isolated sale not made or occurring in the course of repeated or successive sales; nor to any judicial sale, or any transaction lawfully ordered, authorized, or approved by a court of competent jurisdiction in this state; nor to any sale to any bank or financial institution, under the supervision of any instrumentality or officer of the United States or of the commissioner of banks or of the commissioner of insurance of this state, or licensed broker or licensed dealer. In any complaint, information, or indictment, charging a sale in violation of this act, it shall not be necessary to specifically name or identify persons other than the complainant to whom like sales have been made.

Approved April 24, 1943.

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CHAPTER 647—H. F. No. 1223.

(AMENDING SECTIONS 52.04; 52.10; 52.15 AND 52.16  
MINNESOTA STATUTES 1941.)

*An act relating to the operation of cooperative savings and credit associations, termed credit unions, amending Mason's Supplement 1940, Section 7774-4, and Mason's Minnesota Statutes of 1927, Sections 7774-10, 7774-15, and 7774-16.*

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

Section 1. **Law amended—credit union—powers.**—Mason's Supplement 1940, Section 7774-4, is amended to read as follows:

A credit union shall have the following powers:

(a) To receive the savings of its members either as payment on shares or as deposits (including the right to conduct Christmas Clubs, Vacation Clubs and other such thrift organizations within its membership).

(b) To make loans to members for provident or productive purposes.

(c) To make loans to a cooperative society or other organization having membership in the credit union.

(d) To deposit in state and national banks and trust companies authorized to receive deposits.

(e) To invest in any investment legal for savings banks or for trust funds in the state.

(f) To borrow money as hereinafter indicated.

(g) To adopt and use a common seal and alter the same at pleasure.

(h) *To make payments on shares of and deposit with any other credit union operating under the provisions of this act, or operating in this state under the provisions of the Federal Credit Union Act, in amounts not exceeding in the aggregate 22 per cent of its unimpaired assets.*

**Sec. 2. Law amended—credit committee—powers as to loans.**—Mason's Minnesota Statutes of 1927, Section 7774-10, is amended to read as follows:

The Credit Committee shall have the general supervision of all loans to members, *not including loans to a member who is a director, or an officer, or a member of the Credit Committee, or a member of the Supervisory Committee.* Applications for such loans shall be on a form, prepared by the Credit Committee, shall set forth the purpose for which the loan is desired, the security, if any, offered, and such other data as may be required. Within the meaning of this section an assignment of shares or deposits or the endorsement of a note may be deemed security. At least a majority of the members of the Credit Committee shall pass on all such loans and approval of such loans must be *in writing and by unanimous vote of such members present.* The Credit Committee shall meet as often as may be necessary after due notice to each member thereof. *The Credit Committee, the Supervisory Committee, and the Board of Directors, meeting jointly, and acting collectively as a whole, shall have the general supervision of all loans to a member who is a director, or an officer, or a member of the Credit or Supervisory Committee. Application for such loans shall be in similar form as may be required to be furnished to the Credit Committee for a loan in the case of a member who is not a director, or an officer, or a member of the Credit or Supervisory Committee. At least a majority of the members of each of said Committees and of the Board of Directors, at a joint meeting and acting collectively as a whole, shall pass on all such loans in the absence of the applicant, and the approval of such loan at said meeting must be in writing and by unanimous vote of all such members present. Said Committees and the Board of Directors meeting jointly, and act-*

*ing collectively as a whole, as herein provided for, shall meet as often as may be necessary after due notice to each member thereof.*

**Sec. 3. Law amended—union may borrow.**—Minnesota Statutes of 1927, Section 7774-15, is amended to read as follows:

*A credit union may borrow from any source or sources sums which shall not exceed in the aggregate 35 per cent of its unimpaired assets.*

**Sec. 4. Law amended—may loan money—conditions.**—Mason's Minnesota Statutes of 1927, Section 7774-16, is amended to read as follows:

*A credit union may loan to members. Loans must be for a provident or productive purpose and are made subject to the conditions contained in the by-laws. A borrower may repay his loan, in whole or in part, any day the office of the credit union is open for business. Except for loans secured by first real estate mortgages on homes owned and occupied, of the character made to other members, no director, officer, or member of the Credit or Supervisory Committee may become liable, as a borrower or endorser for other borrowers, or both, to the credit union in which he holds office, beyond the amount of his holdings in shares and deposits therein, unless the loan shall have been approved in the manner provided by Mason's Minnesota Statutes of 1927, Section 7774-10, as here-in amended.*

Approved April 24, 1943.

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CHAPTER 648—H. F. No. 1229.

(AMENDING SECTION 273.13 MINNESOTA STATUTES 1941.)

*An act relating to classification of property for purposes of taxation and amending Mason's Supplement 1940, Section 1993, Class 3a, as amended.*

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

**Section 1. Law amended.**—Mason's Supplement 1940, Section 1993, Class 3a, as amended by Laws 1941, Chapter 436, Section 1, Subdivision 5, is amended to read as follows:

**Subdivision 5. Classification of property.**—Class 3a. All agricultural products in the hands of the producer shall constitute class three "a" and shall be valued and assessed at ten per