

CHAPTER 82—H. F. No. 625

An act relating to restrictions upon total liability to a bank and amending Minnesota Statutes 1945, Section 48.24, Subdivision 6.

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

Section 1. Minnesota Statutes 1945, Section 48.24, Subdivision 6, is amended to read as follows:

48.24. Restrictions on total liability to a bank. Subd. 6. The discount of the following classes of paper shall not be regarded as creating liability within the meaning of this section:

(1) Bonds, orders, warrants, or other evidences of indebtedness of the United States, of federal land banks, of this state or of any county, town, village, or school district in this state, or of the bonds of any other state in the United States, or bonds and obligations of the federal home loan banks established by act of congress known as the federal home loan bank act, approved July 23, 1932, and acts amendatory thereto, or *debentures and other obligations of the Federal Intermediate Credit Banks established by act of congress known as the Federal Intermediate Credit Banks Act, approved March 4, 1923, and acts amendatory thereto*, and in bonds and obligations of the Home Owners' Loan Corporation established by act of congress, known as the Home Owners' Loan Act of 1933, and acts amendatory thereto, in exchange for mortgages on homes, or contracts for deed, or real estate held by it.

(2) Bills of exchange drawn in good faith against actually existing values.

(3) Paper based upon the collateral security of warehouse receipts covering agricultural or manufactured products stored in elevators or warehouses under the following conditions:

First—When the actual market value of the property covered by such receipts at all times exceeds by at least ten per cent the amount loaned thereon, and

Second—When the full amount of every such loan is at all times covered by fire insurance in duly authorized companies, within the limit of their ability to cover such amounts, and the excess, if any, in companies having sufficient paid-up

capital to authorize their admission, and payable, in case of loss, to the bank or holder of the warehouse receipt.

Approved March 10, 1947.

CHAPTER 83—S. F. No. 450

An act relating to the payment of retirement allowances to employees of cities of the first class; amending Minnesota Statutes 1945, Section 422.09.

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

Section 1. That Minnesota Statutes 1945, Section 422.09, is hereby amended to read as follows :

422.09. Refunds. *If an employee to whom sections 422.01 to 422.23 apply becomes absolutely separated from the service prior to attaining the minimum retirement age established in Section 422.04, the net accumulated amount of deductions from his or her salary, pay, or compensation, made for the purpose of accumulating a fund from which to pay retirement allowances, shall be returned to such employee, with interest.*

Any contributing employee who is absolutely separated from the service of the city after attaining the minimum retirement age established in Section 422.04, who has five years or less of creditable service, as determined by the retirement board, shall have the option of accepting a refund of the net accumulated amount of deductions from his or her salary, pay, or compensation, to his or her credit, and if said employee accepts said refund all present and future rights to a retirement allowance shall be forfeited.

Upon the death of a contributing member while still in the service of the city, and before reaching the compulsory age of retirement, there shall be paid to such person or persons as he or she shall have nominated by written designation filed with the retirement board, in such form as the retirement board shall require, the net accumulated amount of deductions from his or her salary, pay, or compensation, to his or her credit on date of death.

If the employee fails to make a designation, or if the person or persons designated by such employee pre-deceases such employee, the net accumulated amount of deductions from his or