

CHAPTER 104—S. F. No. 317

An act relating to ownership of real estate by state banks; amending Minnesota Statutes 1953, Sections 47.10, 48.21.

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

Section 1. Minnesota Statutes 1953, Section 47.10, is amended to read:

47.10 Real estate; acquisition, holding. Save as otherwise specially provided, the entire cost of land and buildings for the transaction of the business of such corporation, including *parking lots and* premises leased to others, shall not be more than as follows, assets other than cash being taken at cash market value; For a bank or a trust company 40 percent of its existing capital and surplus; *and upon written approval of the commissioner of banks, 60 percent of its existing capital and surplus;* for a savings bank, 50 percent of its net surplus; for a building and loan association, five percent of its net assets. Any such corporation may change its location, dispose of its place of business, and acquire another, upon the written approval of the commissioner of banks.

Sec. 2. Minnesota Statutes 1953, Section 48.21, is amended to read:

48.21 Real estate, restrictions on holding. Such bank may purchase, carry as an asset, and convey real estate for the following purposes:

(1) Such as shall be necessary for the convenient transaction of its business, including with its banking office other apartments to rent as a source of income, which investment *less normal depreciation* shall not exceed 40 percent of its paid-in capital stock and permanent surplus, *and upon written approval of the commissioner of banks, not to exceed 60 percent of its paid-in capital stock and permanent surplus.*

(2) Such as is acquired through foreclosure of any mortgage given to it in good faith by way of security for loans made or money due to such bank.

(3) Such as is conveyed to it in satisfaction of debts previously contracted in good faith in the course of its dealings.

(4) Such as it acquires by sale on execution or judgment of any court in its favor.

It shall not purchase, carry as an asset, or convey real estate in any case or for any other purpose whatever. No real

estate acquired in the cases contemplated in clauses 2, 3, and 4, shall be carried as an asset for a longer period than five years, unless such time has been extended by certificate of the commissioner of banks, except that a certificate shall not be required in cases where real estate has been sold on contract for deed providing the vendee has paid at least 25 percent of the purchase price in cash, or where real estate has been charged down to \$1.00, or charged off entirely.

Approved March 4, 1955.

CHAPTER 105—S. F. 602

[Coded]

An act to provide for a policemen's pension association in each city of the second class and for the creation, maintenance, and administration of a policemen's pension fund by the association; repealing Minnesota Statutes 1953, Sections 423.12 to 423.203.

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

Section 1. [423.801] **Definitions.** Subdivision 1. For the purposes of this act the terms defined in this section have the meanings ascribed to them.

Subd 2. "Member" means a policeman, police woman, police matron, radio engineer clerk, or other person duly appointed and regularly entered on the police payroll and on active duty.

Subd. 3. "Unit" means that fractional part of the average monthly salary of a first grade patrolman for the 12 months of the previous fiscal year as determined in the articles of incorporation of the association which fractional part shall never be less than one-nineteenth nor greater than one-seventy-fifth of such average monthly salary.

Subd. 4. "Disability" means a physical or mental incapacity of a member to perform the duties of his position in the service of the police department.

Subd. 5. "Pensioner" means a former member who has qualified for and is receiving a pension.

Subd. 6. "Deferred pensioner" means a member who has completed not less than 20 years of service and retires before reaching the age of 50 years who is entitled to receive