

the figures provided by the bureau which are equivalent to 182.0 and one point.

Approved March 30, 1957.

CHAPTER 265—S. F. No. 989

An act relating to savings, building and loan associations; amending Minnesota Statutes 1953, Sections 51.14, Subdivision 1, 51.18, 51.26 and 51.34, Subdivision 2, as amended.

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

Section 1. Minnesota Statutes 1953, Section 51.14, Subdivision 1, is amended to read :

51.14 Rights, privileges, powers and duties. Subdivision 1. **Bylaws; meetings; publication of reports.** The rights, privileges, and powers and the duties and liabilities of members of an association shall be as fixed by the by-laws and this chapter. An annual meeting of the members of each association shall be held in the month of December or January, as fixed by the bylaws of the association.

Sec. 2. Minnesota Statutes 1953, Section 51.18, is amended to read :

51.18 Annual audit; report filed, published. *On or before the last day of January each year, the board of directors shall examine the financial condition of the association either in person or by appointing an auditor or accountant and make a written report on a form prescribed or approved by the commissioner, stating in detail assets and liabilities, including a statement of income and expense, for the period ending December 31, each year. A copy of such report shall be retained by the association as a permanent record.*

Every association shall prepare a statement of its financial condition each year as of June 30 and December 31 preceding, in form prescribed by the commissioner and furnish a copy thereof to the commissioner within 30 days thereafter. A condensed statement thereof, on a form prescribed or approved by the commissioner, shall be published in a newspaper of general circulation, published in the English language in the county in which the association is located and furnish each member a copy upon application therefor.

Sec. 3. Minnesota Statutes 1953, Section 51.26, is amended to read :

51.26 **Dividends.** As of June 30 and December 31, each year, the board of directors shall declare a dividend payable *semi-annually* as of the *last business day of each June and December, or may, with the approval of the commissioner, declare a dividend payable quarterly as of March 31, June 30, September 30, and December 31, or as of the last business day of each of said months.* No dividend shall be declared except dividends payable as *herein provided* unless permission is first obtained from the commissioner, *provided that no quarterly dividends shall be authorized under this section prior to June, 1957.* Payments of net earnings to shareholders are dividends and shall not be referred to as interest. Dividends shall be credited to share accounts on the books of the association on the dividend payment date, and shall be known as stock dividends unless a shareholder shall have requested and the board of directors shall have agreed to pay dividends on all or part of any share account in cash. Dividends payable in cash shall be paid within 30 days from the date declared. All shareholders shall participate equally in dividends pro rata to the withdrawal value of their respective share accounts; provided, that if the by-laws so provide, no association shall be required to pay or credit dividends on share accounts of \$5 or less. Except as above provided, dividends shall be declared on the withdrawal value of each share account at the beginning of the dividend period, plus payment thereon made during the dividend period (less amounts withdrawn, which for dividend purposes shall be deducted from the latest previous payments thereon) computed at the dividend rate for the time invested, determined as provided below. The date of investment shall be the date of the actual receipt by the association of a payment on a share account, except that the board of directors may fix a date, which shall not be later than the *tenth business day* of the month, for determining the date of the payment. Payments on share accounts, affected by this determination date, received by the association on or before the determination date, shall receive dividends as if made on the first of the month during which the payment was made, *although withdrawn within the last two business days of the month ending a quarterly or semi-annual dividend period.*

Sec. 4. Minnesota Statutes 1953, Section 51.34, Subdivision 2, as amended by Laws 1955, Chapter 809, is amended to read:

Subd. 2. **Specific powers.** Every association shall have the following powers:

(1) To sue and to be sued, complain and defend, in any court;

(2) To purchase, hold, and convey real and personal estate consistent with its objects and powers, and to mortgage, pledge or lease any real or personal estate; and to take property by gift, devise or bequest;

(3) To have a corporate seal, which may be affixed by imprint, facsimile or otherwise;

(4) To appoint officers, agents, and employees as its business shall require, and allow them suitable compensation;

(5) To adopt and amend by-laws as provided in this chapter;

(6) To accept savings and investments as payments on accounts, as provided in this chapter, but this shall apply only to cases where one association assumes the share liabilities of another and sufficient assets are transferred to cover these liabilities;

(7) To make loans to members on the sole security of share accounts: (no such loan exceed 90 percent of the withdrawal value of the share accounts owned or otherwise pledged by the borrower. No such loan shall be made when an association has applications for withdrawal which have been on file more than 60 days and not reached for payments.)

(8) To make direct reduction or unamortized home loans of any amount and secured by home property, subject to the following limitations: It shall be unlawful for an association, the assets of which do not exceed \$50,000, to make any mortgage loan exceeding \$5,000; if its assets exceed \$50,000 but do not exceed \$100,000, it shall be unlawful for it to make any mortgage loan exceeding \$7,500; if its assets exceed \$100,000 but do not exceed \$200,000, it shall be unlawful for it to make any mortgage loan exceeding \$10,000; if its assets exceed \$200,000, but do not exceed \$500,000, it shall be unlawful for it to make any mortgage loan exceeding \$20,000; if its assets exceed \$500,000 but do not exceed \$1,000,000, it shall be unlawful for it to make any mortgage loan exceeding \$30,000; if its assets exceed \$1,000,000, but do not exceed \$3,000,000, it shall be unlawful for it to make any mortgage loan exceeding \$50,000; if its assets exceed \$3,000,000, it shall be unlawful for it to make any mortgage loan exceeding two and one-half percent of its total assets. It shall be unlawful for any association to make any loan on vacant lands or on vacant lots unless these lands or lots are to be improved or are included with other improved real estate; all real estate loans shall be subject to the limitations which may be fixed in the by-laws, which shall be a fixed percentage of the valuation of the property;

(9) Without regard to any other provisions of this chapter, to make any loan for the purchase or construction, the repair, alteration, improvement or modernization of a home or other residential property or for the payment of delinquent indebtedness, taxes or special assessments thereon, secured or unsecured, which is insured or guaranteed in whole or in part by the United States or any instrumentality thereof, or by this state or any instrumentality thereof, or for which a commitment to so insure or guarantee, or for which a conditional guarantee has been issued. The portions of such loans or obligations not so insured or guaranteed shall be subject to the limitations set forth in clause 8 of this subdivision.

(10) Without regard to any other provisions of this chapter, to make property improvement loans to home owners and other property owners for the repair, alteration, improvement or rehabilitation of their properties, with or without security, provided that no such loan shall exceed \$3,500 and provided further that not in excess of 15 percent of the assets of the association shall be so invested.

Approved March 30, 1957.

CHAPTER 266—H. F. No. 376

[Coded]

An act defining and regulating certain installment sales of motor vehicles; prescribing the conditions under which such sales may be made and regulating the financing thereof; regulating and licensing persons engaged in the business of financing such sales; prescribing the form, and contents used in connection with such sales and the financing thereof; prescribing certain rights and obligations of buyers, sellers, persons financing such sales and others; limiting incidental charges in connection with such instruments and fixing maximum charges for delinquencies, extensions and time sale differentials; authorizing investigations and examinations of persons engaged in the business of making or financing such sales; prescribing penalties for violations, and providing for enforcement of compliance by injunction.

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

Section 1. [168.66] **Definitions.** That in this act unless the context or subject matter otherwise requires:

(a) "Person" means an individual, partnership, corporation, association, and other group however organized.