

## CHAPTER 545—H. F. No. 788

*An act relating to insurance, providing for the investments of fraternal beneficiary associations; amending Minnesota Statutes 1953, Section 64.16.*

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

Section 1. Minnesota Statutes 1953, Section 64.16 is amended to read:

**64.16 Real estate holdings; investments; loan to officers.** Any association may invest its funds in and hold real estate for lodge and office purposes, and real estate acquired by foreclosure or received in satisfaction of loans, and may sell and convey the same. Any such association may also invest its funds in bonds of the United States, bonds of the State of Minnesota or 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, provided that such bonds shall be a direct obligation on all the taxable property within such municipality or district and the net indebtedness of such municipality or district shall not exceed ten percent of the value of all the taxable property therein, according to the last valuation for taxation preceding the issuance of said bonds; or in first mortgages or first mortgage bonds upon improved real estate for not exceeding 50 percent of the actual cash value thereof at the time of making the loan, unless such loans are on an amortized basis, where by reason of monthly payments the loan is paid off in not to exceed 20 years, then such loans may be based on 66 and two-thirds percent of the actual cash value thereof; or notes or bonds secured by first mortgages or trust deeds in the nature thereof, as permitted by the laws of this state for the investment of the assets of life insurance companies, and in any investments and securities permitted by the laws of this state for the investment of the assets of life insurance companies; provided, that every foreign association shall be empowered to invest its funds in such securities as may be permitted by the laws of the state, province or country in which it is organized. No such association shall loan any of its funds to any of its officers or directors.

Approved April 20, 1957.

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