

## CHAPTER 403—H. F. No. 1234

*An act defining demand deposits, and providing that no interest shall be paid thereon.*

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

Section 1. **Demand deposits defined.**—No bank shall, directly or indirectly, by any device whatsoever, pay any interest on any deposit which is payable on demand; Provided, that nothing herein contained shall be construed as prohibiting the payment of interest in accordance with the terms of any certificate of deposit or other contract entered into in good faith prior to the passage of this act; but no such certificate of deposit or other contract shall be renewed or extended unless it shall be modified to conform to this paragraph, and every bank shall take such action as may be necessary to conform to this paragraph as soon as possible consistently with its contractual obligations.

Section 2. **What are demand deposits.**—For the purpose of this act all deposits are payable on demand except: (1) Those deposits which are evidenced by a negotiable or non-negotiable instrument which provides on its face that the amount of such deposit is payable:

- (a) On a certain date, specified in the instrument, not less than 30 days after the date of the deposit; or
- (b) At the expiration of a specified period not less than 30 days after the date of the instrument; or
- (c) Upon written notice to be given not less than 30 days before the date of re-payment.

(2) Those deposits which may not be withdrawn within 30 days of the making thereof. (3) Those deposits which may not be withdrawn within 30 days of the giving of notice of an intended withdrawal.

Approved April 24, 1937.

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CHAPTER 404—H. F. No. 1233

*An act amending Chapter 319 of the Session Laws of 1935, authorizing banks to insure deposits under any act of congress, and providing for the liquidation of such banks.*