

of paper shall not be regarded as creating liability within the meaning of this section, viz.:

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.

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 either of 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.

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, unless accompanied by a certificate of the railroad and warehouse commission declaring the warehouse issuing the same to be fireproof.

Whenever a bank shall allow any person, copartnership or corporation to become indebted to it, directly or indirectly, in excess of the amount, exclusive of interest, permitted by the laws of this state, the officer or employe of such bank wilfully permitting or approving such loan shall be guilty of a gross misdemeanor and in addition thereto shall be personally liable to the bank for the amount of such loan in excess of the statutory limit.

Sec. 2. This act shall take effect and be in force from and after its passage.

Approved April 19, 1927.

CHAPTER 259—H. F. No. 1273.

An act authorizing the board of directors of a bank or trust company to appoint and remove officers and employes thereof.

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

Section 1. **Authority of Board of Directors.**—The board of directors of a bank or trust company organized under the laws of this state shall have full power and authority at any time to appoint and remove any officer or employe.

Sec. 2. This act shall take effect and be in force from and after its passage.

Approved April 19, 1927.