

prove, conveying to him all the right, title, and interest of the State of Minnesota in and to the real estate situate in the County of Olmsted, State of Minnesota, described as follows:

All of Lots 1 and 2, and the easterly 12 feet of Lot 7, all in Block 1, Durands' Addition to the City of Rochester, according to the plat thereof now on file and of record in the office of the Register of Deeds in and for said county.

Sec. 2. **Moneys credited to trunk highway fund.** All moneys received by the State of Minnesota pursuant to the terms of this act shall be paid into the trunk highway fund.

Approved April 8, 1949.

CHAPTER 337—H. F. No. 1273

[Coded as Sections 47.27, 47.28, 47.29, 47.30, 47.31, 47.32]

An act relating to certain financial corporations and authorizing the conversion of savings banks, savings, building and loan association, and federal savings and loan associations.
Be it enacted by the Legislature of the State of Minnesota:

[47.27] Section 1. **Definitions.** Subdivision 1. Unless the language or context clearly indicates that a different meaning is intended, the words, terms, and phrases defined in subdivisions 2, 3 and 4, shall, for the purposes of this act, be given the meanings subjoined to them.

Subd. 2. "Savings bank" shall have the meaning set forth in sections 47.01 and 47.02 and shall also mean a mutual savings bank.

Subd. 3. "Savings, building and loan association" shall have the meaning set forth in section 51.01, subdivision 2.

Subd. 4. "Federal savings and loan association" means an association organized under that certain act of Congress known as The Home Owners Loan Act of 1933, and acts amendatory thereof.

[47.28] **Sec. 2. Savings Banks may convert into savings, building and loan associations.** Subdivision 1. Any savings bank organized and existing under and by virtue of the law of this state may amend its articles of incorporation so as to convert itself into a savings, building and loan association, by complying with the following requirements and procedure:

The savings bank by a two-thirds vote of the entire board of trustees, at any regular or special meeting of said board duly called for that purpose, shall (a) pass a resolution declaring their intention to convert the savings bank into a savings, building and loan association, and (b) cause an application in writing to be executed, by such persons as the trustees may direct, in the form prescribed by the department of commerce, requesting a certificate of authorization (charter) as a savings, building and loan association to transact business at the place and in the name stated in the application. The amendments proposed to the articles of incorporation and by-laws shall be included as part of the application.

The application shall be submitted to, considered and acted upon by the department of commerce in the same manner and by the same standards as applications are submitted, considered and acted upon under section 51.08.

Subd. 2. If the certificate of authorization (charter) be issued, the articles of incorporation may then be amended so as to convert the savings bank into a savings, building and loan association by following the procedure prescribed for amending articles of incorporation of savings banks; provided, that before any such conversion shall take place the secretary of the savings bank shall cause 30 days' written notice of such intended conversion (which notice, before mailing, shall be submitted to and approved by the commissioner of banks) to be mailed prepaid to each depositor, at his last known address according to the records of the bank, and after such notice each depositor may, prior to the time the conversion becomes final and complete, on demand and without prior notice, withdraw the full amount of his deposit or such part thereof as he may request, and upon such withdrawal he shall receive interest to the date of withdrawal at the same rate last paid or credited by the bank, notwithstanding the provisions of any law, by-law, rule or regulation to the contrary.

Subd. 3. At any time after the expiration of the 30 day period specified in subdivision 2, (which fact shall be evidenced

by the secretary of the savings bank filing an affidavit to that effect with the commissioner of banks and the secretary of state,) upon receipt of the fees required for filing and recording amended articles of incorporation of savings banks, the secretary of state shall record the amended articles of incorporation and certify that fact thereon, whereupon the conversion of such savings bank into a savings, building and loan association shall become final and complete and thereafter said corporation shall have the powers and be subject to the duties and obligations prescribed by the laws of this state applicable to savings, building and loan associations.

Subd. 4. When the conversion of any savings bank into a savings, building and loan association becomes final and complete, the surplus fund of the bank shall become the contingent or reserve fund of the association and every person who was a depositor of the savings bank at the time of the conversion shall cease to be a depositor and shall thereafter be a shareholder of the savings, building and loan association and be credited with payments on his share account equal to the full amount of his deposit with the savings bank at the time of conversion, plus interest to the date of conversion at the same rate last paid or credited by the bank, notwithstanding the provisions of any law, by-law, rule or regulation to the contrary.

Subd. 5. The resulting association shall as soon as practicable and within such time not extending beyond three years from the date the conversion becomes final and complete and by such methods as the department of commerce shall direct, cause its organization, its securities and investments, the character of its business, and the methods of transacting the same to conform to the laws applicable to savings, building and loan associations.

[47.29] Sec. 3. Savings banks may convert into federal savings and loan associations. Subdivision 1. Any savings bank organized and existing under and by virtue of the laws of this state, is hereby authorized and empowered, by a two-thirds vote of the entire board of trustees, at any regular or special meeting of said board duly called for that purpose to convert itself into a federal savings and loan association whenever said conversion is authorized by any act of the congress of the United States: Provided, that before any such conversion shall become final and complete, (a) the secretary of the savings bank shall cause 30 days' written notice of such

intended conversion (which notice, before mailing, shall be submitted to and approved by the Commissioner of Banks) to be mailed prepaid to each depositor, at their last known address according to the records of the bank, and after such notice each depositor may, prior to the time the conversion becomes final and complete, on demand and without prior notice, withdraw the full amount of his deposit or such part thereof as he may request, and upon such withdrawal he shall receive interest to the date of withdrawal at the same rate last paid or credited by the bank, notwithstanding the provisions of any law, by-laws, rule or regulation to the contrary, and (b) that such conversion be approved in writing by the commissioner of banks.

Subd. 2. At any time after the expiration of the 30 day period specified in subdivision 1, clause (a), (which fact shall be evidenced by the secretary of the savings bank filing an affidavit to that effect with the commissioner of banks and the secretary of state of this state), upon filing a copy of the federal charter, certified by the issuing federal agency with the secretary of state of this state, the secretary of state shall record said charter and certify that fact thereon, whereupon the conversion shall be final and complete and the savings bank shall at that time cease to be a savings bank supervised by this state, and shall thereafter be a federal savings and loan association.

[47.30] Sec. 4. Savings, Building and Loan Association may convert into savings bank. Subdivision 1. Any savings, building and loan association organized and existing under and by virtue of the laws of this state may amend its articles of incorporation so as to convert itself into a savings bank, by complying with the following requirements and procedure:

A meeting of the shareholders shall be held upon not less than 15 days' written notice to each shareholder, served either personally or by mail prepaid, directed to him at his last known post office address according to the records of the association, stating the time, place and purpose of such meeting.

At such meeting, the shareholders may by two-thirds vote (according to the book value of said shares) of those present in person or by proxy pass a resolution declaring their intention to convert such association into a savings bank and setting forth the names of the proposed first board of trustees.

A copy of the minutes of such meeting verified by the affidavit of the chairman and the secretary of the meeting, shall be filed in the office of the department of commerce and with the secretary of state within ten days after the meeting. Such copy, when so filed, shall be evidence of the holding of such meeting and of the action taken.

Subd. 2. An application for a certificate authorizing a savings bank to transact business, in the form required by sections 45.04 and 45.08, shall be submitted to, considered and acted upon by the department of commerce in the same manner and by the same standards as applications are submitted, considered and acted upon under sections 45.04, 45.07, 45.08, 50.01 and 50.02. The fees required by section 45.04 shall be paid and the amendments proposed to the articles of incorporation and by-laws shall be included as part of the application.

Subd. 3. If the department of commerce grants the application, the certificate of authorization (charter) shall be issued as provided by section 45.04, and the articles of incorporation may then be amended so as to convert the savings, building and loan association into a savings bank by following the procedure prescribed for amending articles of incorporation of savings, building and loan associations: Provided, that the proposed amended articles shall contain the names of, and be signed by, the proposed first board of trustees.

Subd. 4. Before any such conversion shall take place, a period of 30 days shall elapse from the date of the adoption by the shareholders of the resolution amending the articles of incorporation during which period of time each shareholder of the association may, on demand and without prior notice, tender his unpledged shares for repurchase by the association and thereupon be entitled to receive the full withdrawal value of his share account, or such part thereof as he may request, plus dividends to date of payment at the same rate last paid or credited by the association, notwithstanding the provisions of any law, by-law, rule or regulation to the contrary.

Subd. 5. At any time after the expiration of the 30 day period specified in subdivision 4, (which fact shall be evidenced by the secretary of the association filing an affidavit to that effect with the commissioner of banks and the secretary of state), upon receipt of the fees required for filing and recording amended articles of incorporation of savings, building and loan associations, the secretary of state shall record the

amended articles of incorporation and certify that fact thereon, whereupon the conversion of such savings, building and loan association into a savings bank shall become final and complete and thereafter the signers of said amended articles and their successors shall be a corporation, and have the powers and be subject to the duties and obligations prescribed by the laws of this state applicable to savings banks.

Subd. 6. When the conversion of any savings, building and loan association becomes final and complete the contingent or reserve fund of the association shall become the surplus fund of the bank and every person who was a shareholder of the association at the time of the conversion shall cease to be a shareholder and shall thereafter be a depositor of the bank and be credited with deposits in his account equal to the full withdrawal value of his share account plus dividends to the date of conversion at the same rate last paid or credited by the association, notwithstanding the provisions of any law, by-law, rule or regulation to the contrary.

Subd. 7. The resulting savings bank shall as soon as practicable and within such time not extending beyond three years from the date the conversion becomes final and complete and by such methods as the commissioner of banks shall direct, cause its organization, its securities and investments, the character of its business, and the methods of transacting the same to conform to the laws applicable to savings banks.

[47.31] Sec. 5. **Federal Savings and Loan Association may convert into savings bank.** When authorized by act of the congress of the United States, any federal savings and loan association with its principal place of business in this state may convert itself into a savings bank pursuant to the laws of this state: Provided, (a) that the association complies with all requirements imposed for such conversion under the laws of the United States; (b) that the association complies with the requirements and procedure set forth in section 4, except that the procedure for obtaining original articles of incorporation of a savings bank shall be followed in lieu of the procedure for amending articles of incorporation and the 30 day period specified in section 4, subdivisions 4 and 5, shall begin on the day the organization meeting is held pursuant to section 300.025; and (c) that the commissioner of banks approves such conversion in writing.

[47.32] Sec. 6. **Converting institution deemed continuance; transfer of property and rights.** Upon the conversion

of any savings bank into a savings, building and loan association or into a federal savings and loan association, and of a savings, building and loan association or federal savings and loan association into a savings bank, the corporate existence of the converting savings bank or association shall not terminate, and the resulting association or savings bank shall be a continuance of the converting savings bank or association; and all the property of the converting savings bank or association (including its rights) shall by operation of law vest in the resulting association or savings bank as of the time when the conversion becomes final and complete, and all of the obligations of the converting savings bank or association become those of the resulting association or savings bank. Actions and other judicial proceedings to which the converting savings bank or association is a party may be prosecuted and defended as if the conversion had not been made.

Approved April 8, 1949.

CHAPTER 338—H. F. No. 1445

[Not Coded]

An act authorizing the commissioner of administration to sell and the governor to convey certain lands owned by the State of Minnesota situated in Steele County.

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

Section 1. Conveyance of state land to the city of Owatonna. The commissioner of administration is authorized to sell and the governor to convey to the highest bidder the following described real property situated in the city of Owatonna, Steele County, Minnesota, to wit:

Commencing at the South East corner of Lot Five (5) in Block Twelve (12) in Riverside Addition to the City of Owatonna, Minnesota, running thence West along the South line of said Lot 5 to the South West corner of said Lot 5, thence due South to the South line of Lot Four (4) in said Block Twelve (12), thence in a Northeaster-