

MINNESOTA STATUTES 1979 SUPPLEMENT

52.15 CREDIT UNIONS

poses of this subdivision, "unimpaired assets" mean total assets less borrowings, including all forms of indebtedness, accounts payable, and any amount by which reserves and undivided earnings will not be adequate to meet the reserve requirements caused by classified assets.

Subd. 2. Notwithstanding the provisions of subdivision 1, a credit union, with the prior written approval of the commissioner of banks, may borrow additional sums to meet its liquidity needs. For purposes of this subdivision, "liquidity needs" means the needs of a credit union for:

(a) Short-term adjustment credit to cushion deposit or share outflows pending an orderly adjustment of assets and liabilities;

(b) Seasonal needs arising from a combination of expected patterns of movement in share and deposit accounts and loans; and

(c) Protracted adjustment needs in the event of unusual or emergency circumstances of a longer-term nature resulting from national, regional or local difficulties.

[1979 c 149 s 3]

52.165 Graduated payment home loan.

Subdivision 1. **Definition.** As used in this section, "graduated payment home loan" means a real estate loan made pursuant to section 52.16, whereunder initial periodic repayments are lower than those under the standard real estate loan having equal periodic repayments, and gradually rise to a predetermined point after which they remain constant.

Subd. 2. **Authorization.** Notwithstanding the provisions of section 334.01, subdivision 1, and subject to the provisions of section 47.201, subdivisions 4 to 6, a credit union may make graduated payment home loans and purchases representing graduated payment home loans pursuant to such rules as the commissioner of banks finds to be necessary and proper, if any, at an interest rate not in excess of the rate prescribed in section 52.14. Notwithstanding the provisions of section 334.01, subdivision 1, where initial repayments of a graduated payment home loan are less than the total accrued outstanding interest, the excess accrued and unpaid interest may be added to the outstanding loan balance on which interest accrues at the contracted rate.

[1979 c 239 s 2]

CHAPTER 59A. INSURANCE PREMIUM FINANCE COMPANIES

Sec.
59A.09 Maximum finance charge.

59A.09 Maximum finance charge.

[For text of subs 1 to 5, see M.S.1978]

Subd. 6. The maximum rate limitations of this section shall not apply to finance charges under an insurance premium finance agreement, if the rate does not exceed the maximum rate permissible under section 334.011 and the agreement was made to finance an insurance policy for business or agricultural purposes, as defined by section 334.011. The maximum rate limitations of this section shall not apply to an insurance premium finance agreement, if the insured is a corporation or cooperative.

[1979 c 261 s 1]

CHAPTER 60A. INSURANCE DIVISION

Sec.
60A.08 Contracts of insurance.

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LIFE INSURANCE GENERALLY 61A.245

60A.08 Contracts of insurance.

[For text of subs 1 to 4, see M.S.1978]

Subd. 5. **Signatures required.** All insurance policies shall be signed by the secretary or an assistant secretary, and by the president or vice-president, or in their absence, by two directors of the insurer. The signatures may be facsimile signatures.

[For text of subs 6 to 10, see M.S.1978]

[1979 c 115 s 1]

CHAPTER 61A. LIFE INSURANCE GENERALLY

Sec.
61A.245 Standard nonforfeiture law for individual deferred annuities.

61A.245 Standard nonforfeiture law for individual deferred annuities.

[For text of subs 1 to 3, see M.S.1978]

Subd. 4. The minimum values as specified in subdivisions 5, 6, 7, 8 and 10 of any paid-up annuity, cash surrender or death benefits available under an annuity contract shall be based upon minimum nonforfeiture amounts as defined in this subdivision.

(a) With respect to contracts providing for flexible considerations, the minimum nonforfeiture amount at any time at or prior to the commencement of any annuity payments shall be equal to an accumulation up to that time at a rate of interest of three percent per annum of percentages of the net considerations, as defined in this subdivision, paid prior to that time, decreased by the sum of (i) any prior withdrawals from or partial surrenders of the contract accumulated at a rate of interest of three percent per annum and (ii) the amount of any indebtedness to the company on the contract, including interest due and accrued; and increased by any existing additional amounts credited by the company to the contract.

The net considerations for a given contract year used to define the minimum nonforfeiture amount shall be an amount not less than zero and shall be equal to the corresponding gross considerations credited to the contract during that contract year less an annual contract charge of \$30 and less a collection charge of \$1.25 per consideration credited to the contract during that contract year. The percentages of net considerations shall be 65 percent of the net consideration for the first contract year and 87.5 percent of the net considerations for the second and later contract years. Notwithstanding the provisions of the preceding sentence, the percentage shall be 65 percent of the portion of the total net consideration for any renewal contract year which exceeds by not more than two times the sum of those portions of the net considerations in all prior contract years for which the percentage was 65 percent.

(b) With respect to contracts providing for fixed scheduled considerations, minimum nonforfeiture amounts shall be calculated on the assumption that considerations are paid annually in advance and shall be defined as for contracts with flexible considerations which are paid annually with two exceptions:

(1) The portion of the net consideration for the first contract year to be accumulated shall be the sum of 65 percent of the net consideration for the first contract year plus 22.5 percent of the excess of the net consideration for the first contract year over the lesser of the net considerations for the second and third contract years; and

(2) The annual contract charge shall be the lesser of (i) \$30 or (ii) ten percent of the gross annual consideration.

(c) With respect to contracts providing for a single consideration, minimum nonforfeiture amounts shall be defined as for contracts with flexible considerations except that the percentage of net consideration used to determine the minimum nonforfeiture