

## CHAPTER 50

## SAVINGS BANKS

NOTE: All savings banks organized under the provisions of the 1867 act having reorganized under the 1879 act, L. 1879, c. 109, as amended, is the base for our present savings bank code.

The securities in which a savings bank is authorized to invest are set forth in Minnesota Statutes 1945, s. 50.14. Sections 48.36 to 48.43 prescribe the conditions under which savings deposits may be received by a state bank.

The relation of a savings bank to its depositor is that of trustee and cestui que trust.

**50.08 TRUSTEES TO HAVE NO INTEREST IN PROFITS; VACANCY; COMPENSATION.**

Savings banks organized under the 1867 statute had privileges to stockholders denied by the 1879 law. The receiver of an insolvent savings bank organized under 1867 statute is denied the privilege of selling the charter at receiver's sale. State ex rel v Savings Bank of St. Paul, 102 M 199, 113 NW 268.

**50.09 DEPOSITS; LIMITATION OF AMOUNT.**

Amended by L. 1947 c. 11 s. 1.

Deposit by Thomas J. Latterner as "Thomas J. Latterner in trust for Oliver P. Latterner" upon the death of Thomas becomes the property of Oliver, unless there is a showing of other intent. Walso v Latterner. 140 M 455, 168 NW 353.

Paying a depositor's money on a forged order accompanied by depositor's pass-book is not negligence as a matter of law. A savings bank in relation to funds on deposit is liable to its depositors for want of ordinary care only. Daivish v Farmers' & Mechanics' Savings Bank, 177 M 244, 225 NW 100.

The banking department may permit, in certain instances, banks to make a monthly service charge to depositors, but a charge may not be made on dormant accounts unless notice of the rule, express or implied, is brought to the depositor's attention. OAG March 28, 1947 (29-a-17).

Duty of trustee to invest in marketable securities where trust must terminate at ascertainable time. 18 MLR 237.

Validity of investment in participating mortgage. 19 MLR 819.

**50.14 AUTHORIZED SECURITIES.**

Testator's intent controls investment of funds of trust created by will, and neither court, legislature, nor beneficiary may substitute its or his discretion for that of the legislature. In re Jones Will, 221 M 526, 22 NW(2d) 637.

Right of savings banks to make loans under servicemen's readjustment act of 1944 (GI bill of rights). 1944 OAG 23, Nov. 27, 1944 (29-A-20).

Amortization of premiums and accumulation of trust funds. 20 MLR 203.

Investment of fiduciary funds in life insurance policies and annuities. 25 MLR 298.

**50.145 ADDITIONAL INVESTMENT SECURITIES.**

HISTORY. L. 1947 c. 78 s. 1.