

# MINNESOTA STATUTES 1975 SUPPLEMENT

## 44.14 CIVIL SERVICE, MUNICIPAL

### CHAPTER 44. CIVIL SERVICE, MUNICIPAL

Sec.  
44.14 Veterans preference.

#### 44.14 Veterans preference.

This chapter does not exclude or modify the application of sections 197.455 and 197.46.

[1975 c 45 s 3]

### CHAPTER 48. BANKS, TRUST COMPANIES

Sec.	Sec.
48.152 State bank acquisition and leasing of personal property. [New]	48.159 Limited trusteeship. [New]
	48.19 Loans on real estate restricted.

#### 48.152 State bank acquisition and leasing of personal property.

A state bank may acquire and lease personal property to customers, subject to the rules and regulations of the commissioner and the following conditions:

(a) The property shall be acquired upon the specific request of and for the use of a customer.

(b) The original lease shall be in writing and shall be entered into prior to the acquisition of the property to be leased.

(c) The terms of the lease shall require during the minimum period of the lease rental payments which in the aggregate will exceed the total expenditures by the bank for or in connection with the acquisition, ownership, and protection of the property.

(d) The terms of the lease shall require periodic rental payments to be made at least annually.

(e) The terms of the lease shall establish a rental payment schedule by which no individual rental payment shall exceed the average rental payment by more than 50 percent, the average rental payment to be computed by dividing the total dollar amount of rental payments to be made over the term of the lease by the number of payments to be made.

(f) Except upon the written approval of the commissioner, the term of the lease shall not exceed 12 years, 32 days.

(g) The total amount of unpaid rental obligations of a customer to a bank on personal property, shall constitute a liability of the customer within the meaning of section 48.24, subdivision 1.

(h) No state bank shall lease personal property, directly or indirectly, to any of its directors, officers, stockholders, or employees.

(i) The total amount of unpaid rental obligations to be paid to the bank on personal property, shall not exceed 200 percent of the sum of the bank's capital actually paid in cash and its actual surplus fund.

[1975 c 300 s 1]

#### 48.159 Limited trusteeship.

A commercial bank, upon approval by the commissioner of banks of an application in the prescribed form filed with him together with a filing fee of \$100, shall have the power to act as trustee or custodian within the contemplation of the federal self-employed individuals tax retirement act of 1962, as amended and shall have the power to act as trustee or custodian within the contemplation of the federal employee retirement income security act of 1974, as amended, to establish an individual retirement account. The funds shall be invested only in savings or time deposits in the bank in amounts fully insured

# MINNESOTA STATUTES 1975 SUPPLEMENT

## LIQUIDATION, REORGANIZATION 49.01

by federal deposit insurance. Funds held in the fiduciary capacity may be commingled for purposes of investment, but individual records shall be maintained by the fiduciary for each participant and show in detail all transactions engaged in under authority of this section. In passing upon applications, the commissioner shall take into consideration the investment policies, amount, type, and adequacy of reserves, fidelity bonds, and legally required deposits of the applicant, and other pertinent facts and circumstances, and may grant or refuse the application accordingly.

[1975 c 366 s 1]

### 48.19 Loans on real estate restricted.

**Subdivision 1. Restrictions; exception.** No bank or trust company shall make any loan upon the security of real estate unless it is a first lien thereon, except that a bank or trust company may take a junior lien upon real estate to secure a loan previously contracted. Before any such loans are made the value of the real estate shall be determined by an appraisal made by a committee appointed by the board of directors, which appraisal shall be made a matter of record; except that the board may accept an appraisal made by or for an agency of the United States government when such agency is guaranteeing or insuring the loan or any part thereof.

A bank may take additional liens on the same security and these shall be considered to be part of the same mortgage lien thereon providing it has been established that there are no intervening liens.

Loans in which the small business administration cooperates through agreements to participate on an immediate or deferred basis under the federal small business act or loans or obligations secured or guaranteed by the United States or any department, bureau, board, commission, or establishment of the United States, including any corporation wholly owned directly or indirectly by the United States, shall not be subject to the restrictions or limitations of this section imposed upon loans secured by real estate.

[For text of subd 2, see M.S.1974]

### Subd. 3. [Repealed, 1975 c 398 s 3]

Subd. 4. Loans made to a borrower shall not be considered to be loans upon the security of real estate within the meaning of subdivision 1 if the bank takes, as a precaution against contingencies, a mortgage, deed, or trust or other instrument upon real estate located in this state, in the form of a second lien, and if:

(a) the bank looks for repayment by relying primarily on the borrower's general credit standing and forecast of income supported by the borrower's signed financial statement, with or without other security or;

(b) the bank relies primarily on other security as collateral for loan, provided that if the other security is composed in whole or in part of the guarantee of a third party, that guarantee shall be supported by a signed financial statement of the guarantor. Except for home improvement loans this subdivision applies only to non-automobile loans in a principal amount of \$3,000 or more. Separate loans may not be aggregated to attain the \$3,000 level.

[1975 c 398 s 1,2]

## CHAPTER 49. LIQUIDATION, REORGANIZATION, CONSOLIDATION

Sec.

49.01 Definitions.

49.01 Definitions.