

the deposit of securities was ultra vires and that the statute under which the deposit was made was unconstitutional when applied to associations doing business in the state before its passage. *Lewis v. American S. & L. Asso.* 98 W 203, 73 NW 793, writ of error dismissed, *Hale v. Lewis*, 181 US 473.

See note to 216.02, citing *In re Fidelity Assur. Asso.* 248 W 373, 21 NW (2d) 730.

Securities deposited with the state treasurer by a foreign investment association are to be valued at actual or market value in ascertaining whether the required amount is on deposit. 20 Atty. Gen. 588.

A deposit with the state treasurer by a foreign building and loan association pursuant to 215.38, Stats. 1937, may be held for the exclusive benefit of Wisconsin creditors in the event of federal receivership. 27 Atty. Gen. 56.

CHAPTER 216.

Investment Associations.

216.01 History: 1899 c. 216 s. 1; 1903 c. 374 s. 1; 1905 c. 219 s. 1; Supl. 1906 s. 2014-27; 1911 c. 663 s. 407; 1923 c. 291 s. 3; Stats. 1923 s. 216.01; 1947 c. 411 s. 6 (215.30 (5)); 1947 c. 612 s. 1.

The soliciting and receiving of payments by an investment company, licensed under ch. 216, Stats. 1929, as amended, and its issuance of income reserve contracts as part of an employer's plan for payment of unemployment benefits, under which a proposed income reserve contract and accompanying special separate contract between the employer and the investment company, the monthly payments, which are to be made by the employer, are not to be commingled with other funds of the investment company, but are to be invested by it in approved securities which are to be held by a designated depository exclusively for purposes that are expressed to be principally for the benefit of the employer and its employes until the investment company's obligations under such contracts are fully discharged are within the scope of the authorized business of such an investment company, and do not constitute the doing of a prohibited "banking business," as defined in 224.02. State ex rel. *Rohn S. Mfg. Co. v. Industrial Comm.* 217 W 138, 258 NW 449.

The mere fact that a corporation engaged in the business of buying, selling and dealing in stocks, bonds and other securities, did not make it an "investment company." *Wisconsin Investment Co. v. Skinner*, 220 W 537, 265 NW 681.

The requirement of 215.82 and 216.02, Stats. 1955, as to the nature and amount of securities to be deposited with the state treasurer by any investment company subject to regulation under 216.01, does not apply to a company operating in interstate commerce and subject to the Federal Investment Company Act of 1940, 15 USCA, sec. 80a. *Investors Diversified Services v. Diggles*, 272 W 66, 74 NW (2d) 805.

A person accepting money from individuals, to be invested by him in securities, is subject to regulation as an investment company. 10 Atty. Gen. 920.

An employer's thrift club, in which each

member pays in \$5 or some multiple thereof each month, the money being invested in bonds, and the profits derived from the interest and sales of bonds being divided among the members, does not come within laws relating to mutual savings banks, but would seem to be an investment company and within the provisions of sec. 2014-27, Stats. 1921. 11 Atty. Gen. 420.

The commissioner of banking is under no duty to examine investment associations which have not been licensed. 11 Atty. Gen. 801.

The provisions of law relating to investments by local building and loan associations do not apply to organizations coming within the provisions of ch. 216, Stats. 1923. Investment associations need comply only with requirements relating to foreign building and loan associations contained in ch. 215. 13 Atty. Gen. 300.

A corporation organized under the laws of Texas and engaged in the business of selling its special income bonds, secured by mortgages on Texas real estate, must comply with ch. 216, Stats. 1923, and also procure a license under ch. 189. 14 Atty. Gen. 137.

216.02 History: 1899 c. 216 s. 2; 1903 c. 374 s. 2; 1905 c. 219 s. 2; Supl. 1906 s. 2014-28; 1923 c. 291 s. 3; Stats. 1923 s. 216.02; 1943 c. 275 s. 55; 1947 c. 411 s. 6 (215.30 (5)); 1947 c. 612 s. 1.

Under 215.38, Stats. 1941, Wisconsin certificate holders, on the insolvency of an association, in the absence of any agreement to pay interest, were entitled to be paid out of the deposit fund only the net surrender value of their certificates, as of the date of insolvency, and were not entitled to be paid, in addition, out of the deposit fund, interest by way of damages from the date of insolvency, without regard to the rights of other claimants in the assets of the association. *In re Fidelity Assur. Asso.* 248 W 373, 21 NW (2d) 730.

The affairs of associations which are governed by secs. 2014-27 and 2014-28, Stats. 1919, are subject to annual examination by the commissioner of banking. 9 Atty. Gen. 355.

216.03 History: 1899 c. 216 s. 3; 1903 c. 374 s. 3; 1905 c. 219 s. 3; Supl. 1906 s. 2014-29; 1923 c. 291 s. 3; Stats. 1923 s. 216.03.

Agents transacting business for an unlicensed investment company are guilty of a criminal offense. 3 Atty. Gen. 157.

216.05 History: 1939 c. 240; Stats. 1939 s. 216.05; 1947 c. 411 s. 6 (215.30 (5)); 1947 c. 612 s. 1; 1949 c. 634; 1963 c. 315 s. 2.

CHAPTER 217.

Seller of Checks.

217.01 History: 1967 c. 288; Stats. 1967 s. 217.01.

217.02 History: 1967 c. 288; Stats. 1967 s. 217.02; 1969 c. 276 ss. 543, 592 (6).

217.03 History: 1967 c. 288; Stats. 1967 s. 217.03; 1969 c. 276 s. 592 (6).

217.04 History: 1967 c. 288; Stats. 1967 s. 217.04.