

Stats. 1925, but not otherwise; under 223.12 (2) if such corporation is duly appointed as trustee under a will in Illinois it may act as trustee of such property in Wisconsin the same as a natural person. 15 Atty. Gen. 373.

A foreign trust company may not sell securities in Wisconsin through the medium of one of its agents licensed as a Wisconsin dealer. Except as permitted by 223.12 (1), Stats. 1937, a foreign trust company may not qualify to do business in this state. 27 Atty. Gen. 235.

CHAPTER 224.

Miscellaneous Banking Provisions.

224.01 History: 1903 c. 234 c. IV s. 1; Supl. 1906 s. 2024—78; 1911 c. 663 s. 410; 1923 c. 291 s. 3; Stats. 1923 s. 224.01; 1955 c. 10.

224.02 History: 1909 c. 285; Stats. 1911 s. 2024—78L; 1923 c. 291 s. 3; Stats. 1923 s. 224.02; Spl. S. 1931 c. 10 s. 13.

Any person engaged in business carried on by banks of deposit or of discount or of circulation is doing a banking business, although but one of these functions may be exercised. Where a department store opened "a deposit purchase department" where it received money from anyone desiring to deposit it, issued passbooks, paid interest and paid the principal sum with interest on demand in money or goods, it was doing a banking business within the meaning of ch. 285, Laws 1909. *MacLaren v. State*, 141 W 577, 124 NW 667.

Soliciting and receiving of payments by an investment association and its issuance of income reserve contracts as part of employer's plan for payment of unemployment benefits was not doing prohibited "banking business" by an investment company. *State ex rel. Rohn Shoe Mfg. Co. v. Industrial Comm.* 217 W 138, 258 NW 449.

An employer who permits his employes and others to leave their wages and earnings with him and issues an acknowledgment therefor, in which he agrees to repay the sums left on demand (subject to 30 days' notice if desired) with 6% interest, is "doing a banking business" as defined by sec. 2024-781, Laws 1913. 3 Atty. Gen. 23.

Issuing receipts by a public utility, for deposits required of its patrons, to secure it against nonpayment of its bills for service, and agreeing to pay interest on such deposits, is not doing a "banking business." 8 Atty. Gen. 255.

Banking business covers more than the acts named in sec. 2024-781, Stats. 1919. 8 Atty. Gen. 750.

A corporation whose sole business is loaning its own funds, derived from the sale of its capital stock, is not engaged in banking business. Such corporation is a building and loan association and must submit to regulation as such, where it makes loans only to its own members. 10 Atty. Gen. 466.

One who solicits, through newspaper advertising, periodical "depositing" of money with him in payment for property to be sold by him on the instalment plan, is engaging in banking business within sec. 2024-781, Stats. 1921. 11 Atty. Gen. 88.

Money left with a cashier of a bank, who

placed it in an envelope and put it in the bank's vault under agreement that it was to be loaned out on real estate mortgages, was not a bank deposit and the transaction was not a banking transaction, although the bank's name was signed to the receipt by the cashier who afterwards embezzled the money. 13 Atty. Gen. 272.

A scheme whereby a coal company solicits and receives deposits of money on a passbook on which a company agrees to pay interest of 3% per annum if applied against coke purchases under stipulated conditions, the coal company agreeing to deposit the money in a certain bank and to issue a check to the depositor for any unused balance on April 15 of each year, is doing a banking business as defined by 224.02, Stats. 1923, in conflict with the banking laws of the state. 13 Atty. Gen. 393.

The banking law is violated by an insurance company issuing bonds maturing in a certain number of years or on death of the holder, the price of the bonds being dependent upon the maturity date and age of the purchaser. 17 Atty. Gen. 406.

A securities company which receives money as regular business, the money deposited to apply on the purchase of securities and to draw interest, violates the banking law. 20 Atty. Gen. 489.

Where a broker sells a specific security and delivers an interim receipt to a customer pending delivery of the specific security, the relationship is that of seller and purchaser, and the transaction is not banking business. 21 Atty. Gen. 631.

Acceptance of money on deposit as regular business by an insurance company constitutes a violation of the banking laws, but if the money accepted constitutes merely an advance payment of premiums and is in fact used as such, there is no violation of the banking laws. 21 Atty. Gen. 999.

A life insurance contract permitting an insured to deposit money with an insurance company, such money not being definitely committed to payment of premiums, so that it is possible to withdraw the same with interest, constitutes banking business in violation of ch. 224, Stats. 1937. 26 Atty. Gen. 463.

While life insurance companies or fraternal benefit societies may not accept money of policy holders on deposit for withdrawal at any time on demand as in the case of banks, they may accept and accumulate deposits with interest to pay future premiums and, in the event of death, maturity or surrender of policy, pay out unused portion of accumulation as part of the benefit provided in the policy. 26 Atty. Gen. 603.

A contract providing for weekly payments to be made to a furniture firm up to a specified amount, the sum so paid to apply as first payment on merchandise to be selected and which gives the customer no right to demand return of all or any part of the money so paid in, does not constitute unlawful banking under 224.02 and 224.03, Stats. 1937. 27 Atty. Gen. 556.

A plan for sale of aluminum ware, whereby customers may buy stamps for 10 cents each, which are placed in a book and which are redeemable only in goods, wares and merchan-

dise subsequently to be selected and purchased, does not constitute unauthorized banking under 224.02. 27 Atty. Gen. 819.

Cashing checks for a flat fee through use of an armored motor vehicle equipped with bullet-proof glass which is driven to and parked at various places of employment on pay day does not constitute banking as defined by this section or by *MacLaren v. State*, 141 W 577. 36 Atty. Gen. 169.

224.03 History: 1909 c. 285; Stats. 1911 s. 2024—78m; 1923 c. 291 s. 3; Stats. 1923 s. 224.03.

On legislative power generally see notes to sec. 1, art. IV.

A company advertising that it is doing a private banking business, which it is not licensed to do, violates the statutes. 10 Atty. Gen. 169.

224.05 History: 1899 c. 230 s. 1, 2; Supl. 1906 s. 2024—81; 1923 c. 291 s. 3; Stats. 1923 s. 224.05.

If a right to priority appears on the face of a claim, and investigation confirms that right, priority may be allowed even though not specifically claimed. 15 Atty. Gen. 189.

A municipality may claim a traceable trust fund notwithstanding 224.05, Stats. 1925. 15 Atty. Gen. 279.

224.06 History: Spl. S. 1931 c. 10 s. 14; Stats. 1933 s. 224.06; 1937 c. 284 s. 3; 1943 c. 157; 1945 c. 65; 1947 c. 411 s. 11 (220.02 (5)); 1969 c. 276 s. 592 (7).

Provisions in a fidelity bond for bank employes, limiting the coverage to such losses as shall be discovered before the expiration of one year from the date of the cancellation of the bond and requiring notice of loss to be given not later than 10 days after the insured's discovery thereof, are not in violation of or in conflict with the provisions of 224.06 (1), requiring fidelity bonds for bank officers and employes. *Bank of Kaukauna v. Maryland Cas. Co.* 234 W 321, 291 NW 319.

224.07 History: 1949 c. 271; Stats. 1949 s. 224.07; 1955 c. 696 s. 51A.

A bank on which checks are drawn is prohibited from imposing a charge for issuing a draft in making remittance to a forwarding bank in payment of checks drawn on it sent by the forwarding bank by cash letter or otherwise presented to it for payment even if the forwarding bank agrees to pay such a charge. A bank may not impose a charge for issuing a draft in settlement of differences where checks are cleared direct between banks or through a clearing house arrangement. Where the payee of a check sends it to the drawee bank by mail for payment, with instructions to remit the proceeds by check or draft, the drawee bank may impose a charge for issuing such check or draft in cases where the instructions given by the payee to the bank were silent as to the making of such a charge as well as where the payee agreed to pay such charge. 38 Atty. Gen. 319.

224.10 History: 1955 c. 525; Stats. 1955 s. 224.10; 1961 c. 83; 1969 c. 276 s. 592 (5), (7); 1969 c. 283 s. 20.

CHAPTER 225.

Business Development Credit Corporations.

225.01 History: 1955 c. 656; Stats. 1955 s. 225.01.

225.02 History: 1955 c. 656; Stats. 1955 s. 225.02.

225.03 History: 1955 c. 656; Stats. 1955 s. 225.03.

225.04 History: 1955 c. 656; Stats. 1955 s. 225.04.

225.05 History: 1955 c. 656; Stats. 1955 s. 225.05.

225.06 History: 1955 c. 656; Stats. 1955 s. 225.06.

225.07 History: 1955 c. 656; Stats. 1955 s. 225.07.

225.08 History: 1955 c. 656; Stats. 1955 s. 225.08.

225.09 History: 1955 c. 656; Stats. 1955 s. 225.09.

CHAPTER 226.

Foreign Corporations.

226.01 History: Stats. 1929 s. 226.02 (1); 1931 c. 97 s. 3; Stats. 1931 s. 226.01.

Revisor's Note, 1931: The exception is from the first part of (2) of 226.02. Building and loan associations are excepted because they are provided for by chapter 215, Stats. See 215.41. The law is not changed. [Bill 144-S, s. 3]

A corporation need not comply with sec. 1770b, Stats. 1917, where it is either an agency of the U.S. government or not organized for profit. 7 Atty. Gen. 498.

226.025 History: 1931 c. 183 s. 3; 1931 c. 475 s. 13; Stats. 1931 s. 226.025.

226.05 History: 1927 c. 433; Stats. 1927 s. 226.045; 1931 c. 97 s. 8; Stats. 1931 s. 226.05.

226.12 History: 1854 c. 39 s. 1, 3; 1856 c. 120 s. 135; R. S. 1858 c. 148 s. 6, 8; R. S. 1878 s. 3208; Stats. 1898 s. 3208; 1923 c. 291 s. 3; Stats. 1923 s. 226.12; 1931 c. 97 s. 16.

226.13 History: 1854 c. 39 s. 2; R. S. 1858 c. 148 s. 7; R. S. 1878 s. 3209; Stats. 1898 s. 3209; 1923 c. 291 s. 3; Stats. 1923 s. 226.13; 1931 c. 97 s. 17.

226.14 History: 1923 c. 431; Stats. 1923 s. 226.14; 1931 c. 97 s. 18; 1961 c. 332; 1969 c. 71 s. 3; 1969 c. 154.

The general plan of a business or so-called Massachusetts trust, under which the trustee was to hold title to the fee and to the lease of realty in trust for the purpose of paying holders of trust certificates, and from any excess in its hands retire the certificates, and after such retirement distribute the rent, and, in case of the sale, the proceeds to the holders of ultimate title certificates is not contrary to public policy. *Baker v. Stern*, 194 W 233, 216 NW 147.