

No. 179, S.]

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CHAPTER 234.

AN ACT for the creation of banks and for the regulation and supervision of the banking business.

The people of the state of Wisconsin represented in senate and assembly do enact as follows:

CHAPTER I.

BANKING DEPARTMENT.

Department established. SECTION 1. There is hereby established in this state a banking department, which shall have charge of the execution of the laws relating to banks and the banking business in this state. Such department shall be designated as the state banking department, and shall be under the management and control of a chief officer who shall be called the commissioner of banking.

Commissioner; deputy; examiners; clerks. SECTION 2. The commissioner of banking shall be appointed by the governor, by and with the advice and consent of the senate and shall hold his office for the term of five years and until his successor shall have been appointed and qualified, unless sooner removed by the governor, for good cause, and by and with the consent of a majority of the members of the senate. The commissioner of banking may appoint a deputy, and revoke such appointment at pleasure; provided, that no person shall be eligible for the office of commissioner of banking, or deputy, without first having had at least three years' actual practical experience in the general banking business, or served for a like period in the banking department of this or some other state.

Such deputy shall possess all powers, and perform the duties attached to the office of the commissioner of banking dur-

ing a vacancy in such office and during the absence or inability of his principal. The commissioner of banking may also employ from time to time, such examiners, not exceeding three, and clerks, not exceeding two, to assist him and his deputy, in the discharge of the several duties imposed upon him by this act as he shall find necessary. The salary of the commissioner of banking shall be three thousand dollars per annum. The salary of the deputy shall be two thousand dollars per annum; the salary of such examiners shall be eighteen hundred dollars per annum, and the salary of such clerks as may be employed shall be at such a rate per annum as the commissioner of banking shall decide, not, however, to exceed fifteen hundred dollars for one and twelve hundred dollars for the other, provided, that whenever it may become necessary for the commissioner of banking to take charge of any bank in accordance with section 24 of this act he may appoint such additional examiners as he may deem necessary for the purposes set forth in section 24. The salaries of the commissioner of banking, deputy, examiners and clerks shall be paid monthly by the state treasurer, upon a voucher countersigned by the secretary of state. Vouchers for the deputy's, the examiners' and clerks' salaries must be first approved by the commissioner of banking. All actual and necessary traveling expenses of said commissioner of banking, deputy, examiners, or clerks, incurred in the discharge of their duties, shall be fully itemized upon proper vouchers and certified to the secretary of state. If allowed, the secretary of state shall issue his warrant and the state treasurer shall pay the amount of such expenses. Within fifteen days from the notice of their appointment, respectively, the commissioner of banking, his deputy, and the examiners, shall take and subscribe the oath of office prescribed by the constitution, and file the same in the office of the secretary of state. The said commissioner of banking and his deputy shall each give to the people of this state a bond in the penal sum of twenty-five thousand dollars, with two or more sureties, or a surety company, to be approved by the governor, conditioned for the faithful discharge of the duties of their respective offices. The examiners shall each, in like manner, give a bond in the sum of ten thousand dollars. There shall be assigned to said commissioner of banking suitable rooms in the state capitol for conducting the business of said department. All necessary stationery, printing, and supplies shall be furnished to the state banking department upon requisition therefor, in like manner, as other state departments are now supplied.

Seal. SECTION 3. The commissioner of banking shall devise a seal for the use of his office, which shall continue to be the seal of said department. A description of the seal, with an impression thereof, shall be filed in the office of the secretary of state.

Powers conferred on commissioner. SECTION 4. It shall be the duty of the commissioner of banking, and he shall have the power by himself, his deputy, or by any examiner he may appoint for that purpose, to examine at least once in each year the cash, bills, collaterals, securities, books of account, condition and affairs of each bank, and mutual savings bank doing business in this state, except national banks. For that purpose he may examine on oath any of the officers, owners, agents, clerks, customers or depositors thereof, touching the affairs and business of such institution. The commissioner of banking shall examine, or cause to be examined, any bank when requested by the board of directors of such bank. The commissioner of banking shall also ascertain whether such bank transacts its business at the place designated in the articles of incorporation, and whether its business is conducted in the manner prescribed by law. Such commissioner of banking may, in the performance of his official duties, issue subpoenas and administer oaths: provided, that in case of any refusal to obey a subpoena issued by him or his deputy such refusal shall be at once reported to the circuit court of the circuit in which the bank is located and said court shall enforce obedience to such subpoena in the manner provided by law for enforcing obedience to the subpoenas of said court.

Annual examination fees. SECTION 5. Every bank doing business under this act shall be required to pay to the commissioner of banking an annual examination fee, which shall be for any bank having a combined capital and surplus of less than twenty-five thousand dollars, ten dollars; of less than forty thousand dollars, fifteen dollars; of less than fifty thousand dollars, twenty dollars; and for any other amount in excess of fifty thousand dollars, twenty-five dollars. Provided, that such fee shall be remitted by all such banks directly to the commissioner of banking, on or before the first day of June, 1904, and each and every year thereafter. If such fee be not paid upon demand therefor when due, the commissioner of banking shall institute action in the name of the state against such delinquent banks for the recovery of the amount thereof. All such fees shall be paid by the commissioner of banking into

the state treasury to the credit of the general fund. Provided that banks examined after the approval and publication of this act, and before the first Monday of July, one thousand nine hundred and three, shall pay such fees as heretofore provided in section 2023m, statutes of 1898.

Not to disclose information. SECTION 6. No commissioner of banking, deputy or examiner shall examine a bank in which he is interested as stockholder, officer, employee or otherwise. No commissioner of banking, deputy or examiner shall examine a bank located in the same village, city or county with any bank in which he is interested as stockholder, officer, employee or otherwise. The commissioner of banking, his deputy, and every clerk in his department, shall be bound by oath to keep secret all of the facts and information obtained in the course of such examinations, except so far as the public duty of such officer requires him to report upon or take special action regarding the affairs of any bank and except when called as a witness in any criminal proceeding or trial in a court of justice. If any commissioner of banking, deputy, examiner or clerk in such department shall disclose the name of any debtor of any bank, or anything relative to the private accounts or transaction of such bank, or shall disclose any fact obtained in the course of his examination of any bank, except as herein provided, he shall be subject, upon conviction thereof, to forfeiture of his office, and to the payment of a fine of not less than one hundred dollars nor more than one thousand dollars, or imprisonment in the state prison not less than six months nor more than two years, or to both such fine and imprisonment.

When capital impaired, duty of commissioner. SECTION 7. Whenever the commissioner of banking shall become satisfied that the capital of any bank is impaired or reduced below the amount required by law or the articles of incorporation, or below the amount certified to the commissioner of banking as paid in, he shall have the power to require such bank under his hand and seal of office to make good such impairment or deficiency. If any bank shall refuse or fail for sixty days after written notice to make good such impairment of its capital, the commissioner of banking may communicate the facts to the attorney general, whose duty it shall then become to institute proceedings for the appointment of a receiver of said bank to wind up its business. In any case, where the capital of a bank shall have become impaired or reduced below the amount re-

quired by law or the articles of incorporation, the board of directors of such bank shall have the power to make a pro rata assessment upon all of the stock of said bank to make good such deficiency, and may provide that the amount of such deficiency shall be due and payable at a time to be fixed by such board of directors, which time shall be not less than ten days after notice of said assessment; and if any stockholder shall fail or neglect to pay the amount of the assessment against his stock for ten days after the same shall have become so due and payable, the directors of such bank may offer said stock for sale, and sell the same at public sale upon ten days' notice to be given by posting copies of such notice of sale in five public places in the town, village or city where such bank is located. Upon such sale the purchaser shall forthwith pay the amount of the assessment against said stock. The amount received from the sale of said stock, less the cost and expenses of such sale, shall be paid to the original owner of such stock.

When bank insolvent. SECTION 8. On becoming satisfied that any bank has unlawfully refused to pay its depositors in accordance with the terms on which such deposits were received, or that any bank has become insolvent, the commissioner of banking may forthwith take possession of the books, records and assets of every description of such bank, and hold the same, and such books, records and assets shall not be subject to any levies or attachments until a court of competent jurisdiction can be applied to for the appointment of a receiver for such bank, who, under the direction of the court, shall take possession of the books, records and assets of every description, collect all debts, dues and claims, and sell or compound all doubtful debts, and sell all real and personal property on such terms as the court shall direct. Such receiver shall pay over all money by him received under the order of the court.

Duty of receiver. SECTION 9. Receivers of all insolvent banks shall make reports to the commissioner of banking in the same manner as is required of other banks at least once each year when called upon to do so by the commissioner of banking. Any receiver of an insolvent bank who shall fail to comply with the provisions of this section, or who shall refuse to submit the affairs of such bank to an examination by the commissioner of banking, his deputy or examiner, or who shall violate any of the provisions of this act relating to the examination of banks, shall be subject to the same penalties provided for officers or employees of banks.

Liability of stockholders, when collected. SECTION 10. If after the expiration of one year from the closing of any incorporated bank it shall appear to the receiver thereof that the assets of such bank are insufficient to pay its liabilities, it shall be the duty of such receiver to immediately institute proper proceedings, in the name of the bank, for the collection of the liability of the stockholders of such bank; all sums so collected to become a part of the assets of such bank, and to be distributed pro rata to the creditors thereof in the same manner as other funds. No action by any creditor against any stockholder of such bank for the recovery of such liability shall be maintained unless it shall appear to the satisfaction of the court that the receiver has failed to commence action as herein provided.

Books and accounts. SECTION 11. Whenever it shall appear to the commissioner of banking that any bank does not keep books and accounts in such manner as to enable him to readily ascertain the true condition of such bank, he shall have power to require the officers of such bank or any of them, to open and keep such books or accounts as he may in his discretion determine and prescribe for the purpose of keeping accurate and convenient records of the transactions and accounts of such bank. Any bank that refuses or neglects to open and keep such books or accounts, as may be prescribed by the commissioner of banking, shall be subject to a penalty of ten dollars for each day it neglects and fails to open and keep such prescribed books and accounts.

Location of bank, how removed. SECTION 12. In the event that any two banks shall be doing business in the same building, upon the same floor, and in such close proximity as to interfere with the proper examination of either bank, the commissioner of banking may require either of said banks to remove its banking office to some other location within such reasonable time as may be fixed by the commissioner of banking.

Attorney general, duty of. SECTION 13. All proceedings by any bank to enjoin the commissioner of banking in the discharge of his duties shall be had in the county where said bank is located, or in the supreme court of this state. All suits and proceedings arising out of the provisions of this act, in which the state, or any of its officers or agents shall be parties, shall be conducted under the direction and supervision of the attorney general.

Copies as evidence. SECTION 14. Copies of all records and papers in the office of the commissioner of banking, certified by him and authenticated by his seal of office, shall be evidence in all cases equally and of like effect as the original.

Annual report. SECTION 15. During the month of December of each year, the commissioner of banking shall make an annual report to the governor of the state, which report shall be published and shall exhibit the condition of the various banks of the state as of the day of the last report made to the commissioner of banking by such banks; and such report shall contain a statement of the condition of every bank from which reports have been received, with an abstract of the whole amount of capital returned by them, the whole amount of their liabilities, the total amount of resources, and specifying the amount of lawful money held by banks at the time of their several returns, and shall give a tabulated statement of the resources and liabilities of each bank, and such other information as in his judgment may be required. Such report shall also contain a statement of the banks whose business has been closed during the year, the amount of their resources and liabilities, and the amount paid to the creditors thereof; also a statement of any banks organized during the year; and shall also give a list of the stockholders, their residence, and the amount of stock held by each, and the names of the directors and officers of each bank. He shall also report the names and compensation of the clerks employed by him, and the whole amount of the expense of the banking department during the year preceding.

CHAPTER II.

STATE BANKS.

Capital stock. SECTION 1. Any number of adult residents of Wisconsin, not less than three, may associate to establish a bank under this chapter upon the terms and conditions and subject to the liabilities prescribed in this act. The aggregate amount of the capital stock of any bank shall not be less than five thousand dollars in towns, villages or cities having less than fifteen hundred inhabitants; and shall not be less than ten thousand dollars in towns, villages or cities having more than fifteen hundred and less than thirty-five hundred inhabitants, and shall not be less than twenty thousand dollars in any vil-

lage or city having more than thirty-five hundred and less than five thousand inhabitants, and shall not be less than thirty thousand dollars in any city having more than five thousand and less than ten thousand inhabitants, and shall not be less than fifty thousand dollars in any city having more than ten thousand inhabitants, according to the last official census. Provided, that this section shall not apply to any incorporated state banks now in existence.

Provided, that in any city, having a population of twenty thousand or more in which there is or may hereafter be one or more suburbs, each such suburb comprising one or more wards of said city, and in which suburb or suburbs there is or may hereafter be located any bank or banks, the aggregate amount of the capital stock of any such bank shall be based upon the population of the ward in which said bank is located. Every bank incorporated under this chapter shall be known as a state bank.

Articles of incorporation, contents of. SECTION 2. The persons so associating shall make, sign and acknowledge written articles of incorporation containing:

First. A declaration that they associate for the purpose of forming a banking corporation under this act.

Second. The name of such bank. Such name shall be in no material respect similar to the name of any other bank in the same county, excepting banks heretofore organized.

Third. The particular village, town or city and county where such bank is to be located.

Fourth. The amount of capital stock, which shall be divided into shares of one hundred dollars each, excepting banks heretofore organized.

Fifth. The period for which such bank is organized, not exceeding fifty years.

Articles of incorporation, where filed. SECTION 3. Such original articles of incorporation, or a true copy thereof, verified as such by the affidavit of two of the signers thereof shall be filed with the commissioner of banking. A like verified copy and certificate of the commissioner of banking, showing the date when such articles were filed and approved by the commissioner of banking, within thirty days of such filing and approval, shall be recorded in the office of the register of deeds of the county in which such banking corporation is located, and no bank shall, until such articles be left for record, have legal existence.

Powers of state banks. SECTION 4. Upon making and filing of the articles of incorporation the bank shall become a body corporate and as such shall have the following powers:

First. To make all contracts necessary and proper to effect its purpose and conduct its business.

Second. To sue and be sued, to appear and defend in all actions and proceedings under its corporate name to the same extent as a natural person.

Third. To have a common seal and alter the same at pleasure.

Fourth. To elect or appoint all necessary officers, agents and servants, define their duties and obligations, fix their compensation, dismiss them, fill vacancies, and require bonds.

Fifth. To make, amend and repeal by-laws and regulations, not inconsistent with law or its articles of organization, for its own government, for the orderly conduct of its affairs and the management of its property, for determining the manner of calling and conducting its meetings, the tenure of office of its several officers; and such others as shall be necessary or convenient for the accomplishment of its purpose.

Sixth. To exercise, by its directors, duly authorized officers, or agents, all such powers as shall be usual in carrying on the business of banking; by buying, discounting and negotiating promissory notes, bonds, drafts, bills of exchange, foreign and domestic and other evidences of debt; by receiving commercial and savings deposits under such regulations as it may establish; by buying and selling coin and bullion, and by buying and selling exchange, foreign and domestic; issuing letters of credit, and by loaning money on personal or real security, as provided hereinafter.

Business, not to be transacted. SECTION 5. No bank shall transact any business, except such as is incidental or necessarily preliminary to its organization, until it has been regularly authorized by the commissioner of banking to commence the business of banking.

Subscriptions to stock, how taken. SECTION 6. The subscriptions to the capital stock and the direction of the affairs of the corporation prior to the election of directors, shall be in conformity with the statutes of the state relating to corporations regulating such matters, so far as applicable.

Certificate of authority, when granted. SECTION 7. Whenever articles of incorporation are filed with the commissioner

of banking, as herein provided, and the bank transmitting the same notifies the commissioner of banking that its capital has been duly paid in, in cash, and that such bank has complied with all the provisions of this act required before the bank shall be authorized to commence business, the commissioner of banking shall examine into the condition of such bank, ascertain whether or not the capital has been fully paid in, the name and place of residence of each of its directors, and whether such bank has complied with all of the provisions of law required to entitle it to engage in the business of banking. If upon such examination it appears that such bank is lawfully entitled to commence business, the commissioner of banking shall forthwith give to such bank a certificate, under his hand and official seal, that such bank is authorized to commence business. If the said commissioner of banking has reason to believe that the stockholders have formed the same for any other than the legitimate business contemplated by this act, he may, with the advice and consent of the attorney general, withhold the certificate herein mentioned.

Publication of certificate. SECTION 8. The bank shall cause the certificate issued hereunder to be published in some newspaper printed in the village, city or county where such bank is located, within ten days after the receipt of such certificate. If no newspaper is published in such county, then such publication shall be made at the nearest county seat. Proof of publication shall be filed with the commissioner of banking.

Board of directors. SECTION 9. The affairs of the bank shall be managed by a board of not less than three directors, a majority of whom shall be residents of Wisconsin and shall be elected by the stockholders and hold office for one year and until their successors have been elected and have qualified. A majority of the board of directors shall constitute a quorum for the transaction of business; provided, that when the number of directors shall exceed nine, they may, once in six months, designate by resolution nine members, any five of whom shall constitute a quorum. In the first instance, the directors shall be elected at a meeting held before the bank is authorized to commence business by the commissioner of banking, and afterwards at the annual meeting of the stockholders to be held during the month of July or January; and if for any reason an election is not had at that meeting, it may be held at a subsequent meeting called for that purpose, of which due notice shall be given as provided in the by-laws of such bank. Every di-

rector shall take and subscribe an oath that he will diligently and honestly perform his duty in such office, and will not knowingly violate or permit a violation of any provision of this act; that he is the owner in good faith of stock in the bank, standing in his name on the books of the bank. Such oath shall be transmitted to the commissioner of banking and filed in his office. Any vacancy in the board of directors shall be filled by the board, and the directors so appointed shall hold office until the next election. The officers of the bank shall be elected by the board of directors and hold their offices for one year and until their successors are elected and qualified, unless sooner removed by the board of directors.

Duty of examining committee. SECTION 10. The board of directors of each bank shall annually appoint from its members or stockholders an examining committee, whose duties it shall be to examine the condition of the bank at least once every six months, or oftener, if required. The examining committee shall report to the board, giving in detail all items included in the assets of the bank which they have reason to believe are not of the value at which they appear on the books and records of the bank, and giving the value of each of such items as in their judgment they may have determined. The board shall cause said report to be recorded in the minute books of the bank, and a duly authenticated copy thereof transmitted to the commissioner of banking.

Stock book. SECTION 11. Every bank shall keep a stock book, which shall at all times during the usual hours for transacting business, be subject to the inspection of the officers, directors and stockholders of the bank. Such stock book shall show the name, residence and number of shares held by each stockholder. A refusal by the officers of such bank to exhibit such book to any person rightfully demanding inspection thereof, shall subject such officer to a forfeiture of fifty dollars. In all actions, suits and proceedings such book shall be presumptive evidence of the facts therein stated.

Stockholders' right to vote. SECTION 12. At all stockholders' meetings each share of stock shall entitle the owner of record to one vote. A stockholder may vote at any meeting of the stockholders by proxy.

Articles may be amended. SECTION 13. A bank may amend its articles of association in any manner not inconsistent with

the provisions of law, at any time, by a vote of its stockholders representing two-thirds of the capital stock, such vote to be taken at a meeting called for that purpose. Such amendment, certified by the president and cashier, shall be filed as required for articles of incorporation. Unless the required surplus will permit, no increase of capital shall be valid until the amount thereof has been subscribed and actually paid in. No reduction of capital shall be made to a less amount than is required under the provisions of this act for capital, nor be valid or warrant the cancellation of stock certificates or diminish the personal liability of stockholders, until such reduction has been approved by the commissioner of banking. Such approval must be based upon a finding by him that the security of the existing creditors will not be impaired by the proposed reduction.

Real estate, for what purposes held. SECTION 14. A bank may purchase, hold and convey real estate for the following purposes only:

First. Such as shall be necessary for the convenient transaction of its business, including with its banking offices other apartments to rent as source of income. No bank shall invest in a banking office, including apartments connected therewith, a sum exceeding twenty-five per cent. of its capital and surplus; provided, that this limitation shall not apply to the present holdings of banks now doing business.

Second. Such as shall be conveyed to it in satisfaction of debts previously contracted in the course of its business.

Third. Such as it shall purchase at sale on judgments, decrees, or mortgage foreclosures under securities held by it, but a bank shall not bid at such sale a larger amount than is necessary to satisfy its debts and costs.

Fourth. No real estate required in the cases contemplated in the second and third subdivisions preceding, shall be held for a longer time than five years, except an extension is granted by the commissioner of banking. If such extension be not granted, it must be sold at a private or public sale within one year thereafter. Nothing in this section shall be construed to prevent a bank from loaning moneys upon real estate security as provided by law. Real estate shall be conveyed under the corporate seal of the bank, and the hand of the president or vice president and cashier or assistant cashier.

Reports; proofs of publication. SECTION 15. Every bank shall make to the commissioner of banking not less than five

reports during each calendar year, at such times as the said commissioner shall require the same, according to the forms which he shall prescribe and furnish. Such forms shall conform as nearly as practicable to that now required of national banks, including the schedules. Such reports shall be signed and verified by the oath or affirmation of one of the officers of such bank, and attested by at least two of the directors, provided, that if by reason of absence or other inability it shall be impracticable to obtain the signature of two directors such report shall specify such reason, and the attestation thereof by a director so absent or under disability shall thereupon be dispensed with. Such report shall exhibit in detail and under proper heads, the resources and liabilities of the bank at the close of the business of any past day by the commissioner of banking specified, and shall be transmitted to said commissioner of banking within five days after the receipt of request therefor from him. Such reports shall be published in a newspaper in the village or city or county where such bank is located, in such condensed form as may be prescribed by the commissioner of banking. Proof of publication shall be furnished to said commissioner of banking, within fifteen days after the receipt of the aforesaid call. At least once each year every bank shall report to the commissioner of banking on call by him, a list of its stockholders, their residences, and the amount of stock held by each, which report shall be signed and verified by the oath or affirmation of one of the officers of said bank. The commissioner of banking shall also have the power to call for special reports from any bank whenever in his judgment the same is necessary to inform him fully of the condition of such bank.

\$10 per day forfeiture. SECTION 16. Every bank failing to make and transmit to the commissioner of banking any of the reports or proofs of publication, as required by this act, shall be subject at the discretion of the commissioner of banking to a forfeiture of ten dollars for each day after the time required for making such reports. Whenever any bank fails or refuses to pay the forfeiture herein imposed for a failure to make and transmit such report, the commissioner of banking is hereby authorized to institute proceedings for the recovery of such forfeiture.

Making false statements made a felony. SECTION 17. Any banker, officer, director or employe of any bank who shall willfully and knowingly subscribe to or make, or cause to be made,

any false statement or false entry in the books of any bank, or mutual savings bank, or shall knowingly subscribe to or exhibit false papers, with the intent to deceive any person or persons authorized to examine into the affairs of said bank, or mutual savings bank, or shall knowingly make, state, or publish any false report or statement of any such bank, or mutual savings bank, shall be deemed guilty of a felony, and upon conviction thereof shall be punished by a fine of not less than one thousand dollars and not more than five thousand dollars, or by imprisonment in the state penitentiary not less than one (1) year nor more than ten (10) years, or by both such fine and imprisonment in the discretion of the court.

Refusal to permit inspection; effect of. SECTION 18. Whenever any officer in charge of a bank shall refuse to submit the books, papers and concerns of such bank to the inspection of the commissioner of banking, his deputy, or examiner appointed hereunder, or refuse to be examined on oath touching the concerns of the bank, the commissioner of banking may inform the attorney general whose duty it shall be to institute proceedings for the appointment of a receiver of such bank to wind up its business.

Perjury, how committed. SECTION 19. Every officer or employe of any bank required by law to take any oath or affirmation, or who shall wilfully swear or affirm falsely upon any material matter, shall be deemed guilty of perjury, and upon conviction thereof shall be punished as provided by the laws of this state for the punishment of perjury.

When organized as national bank. SECTION 20. Any bank organized under this act may reorganize under the laws of the United States as a national bank. As soon as such bank shall have obtained the certificate from the comptroller of the currency, authorizing it to commence business under the United States banking law, such reorganized bank shall take and hold all of the assets, real and personal, of such bank organized under this act, subject to all liabilities existing against said bank organized under this act at the time of such reorganization, and shall immediately notify the commissioner of banking of such reorganization and transfer.

National banks may reorganize as state banks. SECTION 21. Any national bank authorized to dissolve, and which shall have taken the necessary steps to effect dissolution, may reorganize

under this act, upon the consent in writing of the owners of two-thirds of the capital stock of such bank, and with the approval of the commissioner of banking. Such stockholders shall make, execute and acknowledge articles of organization as required by this act, and shall set forth the said written consent of such stockholders. Upon the filing of said articles as provided by this act, and upon the approval of the commissioner of banking, such bank shall be deemed to be reorganized under this act, and thereupon all assets, real and personal, of such dissolved national bank shall be vested in and be and become the property of such reorganized bank, subject to all liabilities of such national bank not liquidated before such reorganization.

Consolidation of banks. SECTION 22. A bank, which is in good faith winding up its business, for the purpose of consolidating with some other bank, may transfer its resources and liabilities to the bank with which it is in process of consolidation; but no consolidation shall be made without the consent of the commissioner of banking, and not then to defeat or defraud any of the creditors in the collection of their debts against such banks, or either of them.

Liquidation, when authorized. SECTION 23. Any bank organized or doing business under the provisions of this act may go into liquidation by a vote of its stockholders owning two-thirds of the capital stock. Whenever a vote is taken to go into liquidation, it shall be the duty of the board of directors to cause notice of this fact to be certified under the seal of the bank by its president and cashier to the commissioner of banking, and publication thereof, notifying the creditors to present their claims against the bank for payment, shall be made once in each week for eight successive weeks in a newspaper published in the village, city or county in which the bank is located, and if no newspaper is there published, then in the newspaper published at the nearest county seat.

Bank may be placed in hands of commissioner. SECTION 24. Any bank doing business under this act may place its affairs and assets under the control of the commissioner of banking, by posting a notice on its front door, as follows: "This bank is in the hands of the commissioner of banking." Immediately upon posting such notice, such bank shall notify the commissioner of banking of such action. The posting of such notice, or the taking possession of any bank by the commissioner of banking, shall be sufficient to place all its assets and property

of whatever nature in the possession of the commissioner of banking, and shall operate as a bar to any attachment proceedings. For each and every day the commissioner of banking shall be so placed in possession of the bank, such bank shall pay to the said commissioner of banking a fee of ten dollars; all such fees shall be paid by the said commissioner to the state treasurer, to be placed to the credit of the general fund.

Cash reserve. SECTION 25. Every bank shall keep on hand at all times at least fifteen per cent. of its total deposits, of which such portion as the board of directors may determine, may be on deposit in banks approved by the commissioner of banking as reserve banks; except in the case of banks which shall be approved by the commissioner of banking as reserve banks, which banks shall at all times keep on hand at least twenty-five per cent. of their total deposits in lawful money or on deposit in banks subject to the approval of the commissioner of banking, as reserve banks. Cash items shall not be considered as a part of the reserve of any bank.

Reserve to be kept up. SECTION 26. Whenever the reserve of any bank shall fall below the amount required herein to be kept, such bank shall not increase its loans or discounts otherwise than by discounting or purchasing bills of exchange payable at sight or on demand, and the commissioner of banking shall notify any bank whose reserve may be below the amount herein required, to make good such reserve, and in case the bank fails, for thirty days thereafter to make good such reserve, the commissioner of banking may notify the attorney general and he shall institute proceedings for the appointment of a receiver and to wind up the business of the bank.

Limit of loans. SECTION 27. The total liabilities of any person, co-partnership or corporation, to any bank, for money borrowed, including liabilities of the co-partnership, the liabilities of the several members thereof, except special partners, shall at no time exceed thirty per cent. of the amount of capital and surplus of such bank; but the discounting of bills of exchange drawn in good faith against actually existing values, and the discounting of commercial or business paper actually owned by the person negotiating the same, shall not be considered as money borrowed; provided, that by a two-thirds vote of the directors, the liabilities of any person, co-partnership or corporation may be increased to a total sum not exceeding the amount of the capital and surplus of such bank upon approved security.

Capital stock not to be held by bank. SECTION 28. No bank shall be the holder of or purchaser of any portion of its capital stock, unless such purchase shall be necessary to prevent loss upon a debt previously contracted in good faith. Stocks so purchased shall in no case be held by the bank for a longer time than six months if the stock can be sold for the amount of the claim of the bank against the same, and it must be sold for the best price obtainable within one year, or it shall be canceled, and shall then amount to a reduction of the capital stock; provided, that, if such reduction shall reduce the capital stock below the minimum required by law, such capital stock shall be again increased to the amount required by law as provided herein.

Loans to bank officials. SECTION 29. It shall not be lawful for any bank to loan to any of its officers, directors, clerks or employes any of the funds of the bank without a responsible endorser or sufficient collateral security, unless the same shall have been authorized, both as to amount and security, by a resolution of the board of directors, to be recorded.

Loans upon mortgages limited. SECTION 30. No bank shall lend an amount exceeding fifty per centum of the aggregate of its capital, surplus and deposits upon mortgages or any other form of real estate security, except when authorized as to amount, security and location in this and the adjoining states by resolution of two-thirds of its board of directors, properly entered upon its minutes.

Assets not to be pledged as security. SECTION 31. No bank, banker, or bank officer shall give preference to any depositor or creditor by pledging the assets of the bank as collateral security; provided, that any bank may borrow money for temporary purposes, and may pledge assets of the bank not exceeding fifty per cent. in excess of the amount borrowed as collateral security therefor: provided further, that whenever it shall appear that a bank is borrowing habitually for the purpose of reloaning, the commissioner of banking may require such bank to pay off such borrowed money. Nothing herein contained shall prevent any bank from rediscounting in good faith and indorsing any of its negotiable notes. It shall be unlawful for any bank to issue its certificate of deposit for the purpose of borrowing money. Neither shall any bank make partial payments upon certificates of deposit. In no case shall an overdraft of more than ninety days' standing be allowed as an asset of the bank.

Checks certified, when. SECTION 32. It shall be unlawful for any officer, clerk or agent of any bank doing business under this act to certify any check, draft or order drawn upon the bank unless the person, firm or corporation drawing such check, draft or order has on deposit with the bank at the time such check, draft or order is certified an amount of money equal to the amount specified in such check. Any check, draft or order so certified by the duly authorized officer shall be a good and valid obligation against such bank.

Interest rate. SECTION 33. No bank shall demand or receive for loans or discounts a rate of interest exceeding that allowed by law, excepting that it shall be lawful for any bank to receive interest in advance according to the ordinary usage of banking institutions.

Bad debts, what are. SECTION 34. All debts due to any bank, on which interest is past due and unpaid for a period of twelve months, unless the same are well secured or in process of collection, shall be considered bad debts and shall be charged off to the profit and loss account at the expiration of one year.

Surplus fund. SECTION 35. The board of directors of a bank may declare a dividend from so much of its net profits, after providing for all expenses, losses, interest and taxes accrued or due from said bank, as they shall deem expedient; but before any such dividend is declared not less than one-tenth of the net profits of the bank for the preceding half year, or for such period as is covered by the dividend, shall be carried to a surplus fund, until such surplus fund shall amount to twenty per cent. of the capital stock. Any losses sustained by any bank in excess of its undivided profits may be charged to its surplus account, provided, that its surplus fund shall thereafter be reimbursed from its earnings, and no dividends shall be declared or paid by any such bank in excess of one-half of its net earnings until its surplus fund shall be fully restored to the amount required by law.

Dividends not to be declared, when. SECTION 36. No dividend shall be paid to any stockholder of a bank until the capital stock has been fully paid in and no dividend shall thereafter be declared or paid by the directors of any bank except out of the net profits properly applicable thereto, and which shall not in any way impair or diminish the capital; and if any such shall be paid, every stockholder receiving the same shall be liable to

restore the full amount thereof unless the capital be subsequently made good; and if the directors of any bank shall pay any dividend before the capital stock is fully paid in, or shall pay such dividend when the corporation is insolvent or in danger of insolvency, or not having reason to believe that there were sufficient net profits properly applicable thereto, to pay the same without impairing or diminishing the capital, they shall be jointly and severally liable to the creditors of the corporation at the time of declaring such dividends to double the amount thereof.

Embezzlement, how punished. SECTION 37. Every president, director, cashier, officer, teller, clerk or agent of any bank or mutual savings bank who embezzles, abstracts or wilfully misapplies any of the moneys, funds, credits, or property of the bank or mutual savings bank, whether owned by it or held in trust, or who, without authority of the directors, issues or puts forth any certificate of deposit, draws any order or bill of exchange, makes any acceptance, assigns any note, bond, draft, bill of exchange, mortgage, judgment or decree; or who makes any false entry in any book, report or statement of the bank with intent in either case to injure or defraud the bank or mutual savings bank or any person or corporation, or to deceive any officer of the bank or mutual savings bank, or any other person, or any agent appointed to examine the affairs of such bank or mutual savings bank; or any person who, with like intent, aids, or abets any officer, clerk or agent in the violation of this section, upon conviction thereof shall be imprisoned in the state prison not to exceed twenty years.

Charter, how forfeited. SECTION 38. If the board of directors or a quorum thereof or any committee of such board of any bank shall knowingly violate or knowingly permit any of the officers, agents or employes of the bank to violate any of the provisions of this act, such directors shall jointly and severally be liable for the amount of the loss sustained by the bank; and if after a warning from the commissioner of banking they shall fail to make good any loss or damage resulting from such acts, or continue such conduct, it shall constitute a ground for the forfeiture of the charter of such bank, and it shall thereupon be the duty of the commissioner of banking to institute proceedings to enforce such forfeiture and to secure a dissolution and a winding up of the affairs of such bank.

Liability of stockholders. SECTION 39. The stockholders of every bank shall be individually liable, equally and ratably, not one for another, for the benefit of creditors of said bank to the amount of their stock at the par value thereof, in addition to the amount invested in said stock. Such liability shall continue for six months after any transfer of stock, as to the affairs of the bank at the time and prior to the date of the transfer. But persons holding stock as executors, administrators, guardians or trustees, and persons holding stock as collateral security, shall not be personally liable as stockholders, but the assets or funds in their hands constituting the trust shall be liable to the same extent as the testator, intestate, ward or person interested in such trust fund would be if living, or competent to act, and the person pledging such stock shall be deemed the stockholder and liable under this section.

Shares of stock, when not transferable. SECTION 40. The shares of stock of an incorporated bank shall be deemed personal property, and shall be transferred on the books of the bank in such manner as the by-laws thereof may direct, and no transfer of stock shall be valid while the bank is under notice to make good the impairment of its capital, as provided in section 7, chapter 1, of this act, nor until such impairment shall have been made good. All transfers of stock shall be certified to the commissioner of banking immediately.

Deposits by minors and unmarried females; trust deposits. SECTION 41. Whenever any deposit shall be made in any bank by and in the name of any minor, or female being or thereafter becoming a married woman, the same shall be held for the exclusive right and benefit of such minor, or female, and free from the control or lien of all persons whatsoever, except creditors, and shall be paid with any interest due thereon, to the person in whose name the deposit shall have been made, and the receipt of such minor or female shall be a sufficient release or discharge for such deposit to the bank. Whenever any deposit shall be made by any person in trust for another, and no other or further notice of the existence and terms of a legal and valid trust shall have been given in writing to such bank, in the event of the death of the trustee, the same or any part thereof, and any interest due thereon, may be paid to the person for whom the said deposit was made.

Legal process, how served. SECTION 42. Legal process against any bank may be served upon such bank in the manner

now provided by law for such service on other private corporations organized under the laws of this state.

Circulating notes, when issuable. SECTION 43. In the event that the congress of the United States shall hereafter remove the tax on bank circulation or provide for the establishment of circulation of banks organized under state laws, any bank organized or doing business under this act shall have the power to issue circulating notes or currency in accordance with any such act of congress, or under such regulations as the banking department of this state shall prescribe. The provisions of this section shall not be construed to permit any mutual savings bank or any loan and trust company or any other than a banking corporation to issue circulating notes.

Banks coming under the provisions of this act. SECTION 44. The provisions of this act shall apply to, and govern, all banks organized and now existing within this state, and the powers, privileges, duties and restrictions conferred and imposed upon any bank existing and doing business under the laws of this state, are hereby abridged, enlarged, or modified as each particular case may require, to conform to the provisions of this act. Nothing in this act shall be construed to affect the legality of investments heretofore made, or to transactions heretofore had, pursuant to any provisions of law in force when such investments were made or transactions had. Every bank now existing and doing business within this state shall on or before the first day of February next following the time when this act becomes operative, alter or amend its articles of organization, if necessary, to comply with the provisions of this act, and shall by said time make its business conform in all respects to the requirements of this act, except where such requirement is expressly waived herein.

Bank, unlawful use of term. SECTION 45. No person, co-partnership or corporation engaged in the banking business in this state, not subject to supervision and examination by the commissioner of banking, and not required to make reports to him by the provisions of this act, shall make use of any office sign at the place where such business is transacted, having thereon any artificial or corporate name or other words indicating that such place or office is the place or office of a bank, nor shall such person or persons make use of or circulate any letter-heads, bill-heads, blank notes, blank receipts, certificates, circulars, or any written or printed or partly written and partly printed paper

whatever, having thereon any artificial or corporate name, or other word or words, indicating that such business is the business of a bank. It shall be unlawful for any person, co-partnership or corporation to use the word "bank," "savings bank," "banking" or "banker" or the plural of any such words, in any other business or in connection with any other business than that of the business of banking as defined and authorized under the provisions of this act. Any person or persons violating the provisions of this section, either individually or as an interested party in any co-partnership or corporation shall be guilty of a misdemeanor, and on conviction thereof shall be fined in a sum not less than three hundred dollars nor more than one thousand dollars, or by imprisonment in the county jail not less than sixty days nor more than one year, or by both such fine and imprisonment.

Declaration of unlimited individual responsibility. SECTION 46. The stockholders of any bank organized under the provisions of this act may file with the commissioner of banking a declaration in writing, signed by each and all of them and by them acknowledged, consenting and agreeing to hold themselves individually responsible for all the debts, demands and liabilities of said bank. Upon application therefor the commissioner of bank shall make and certify a copy of said declaration which shall be received in evidence and have the same effect as the original declaration would have if produced in evidence and duly proved.

Liability under the stockholders' declaration. SECTION 47. On and from the filing of such declaration the persons who have executed the same shall be individually liable for all the debts, demands and liabilities of said bank, as well as those then existing and unpaid as those thereafter to be made, created or incurred. And in any action brought against any such bank for any debt, demand or liability thereof it shall be competent for the party plaintiff to join as defendant therewith any one, or more, or all of the stockholders, whose names are attached to such declaration, and in such action to recover and have judgment and execution against the defendants or either or any of them; provided, that nothing herein shall be construed to prevent any action from being maintained for any debt, demand or liability of such bank against said bank alone, or against the said stockholders, or either or any of them. In case of the bona fide sale and transfer of any stock or interest of any stockholder, in any such bank, as provided in section 40,

chapter 2 of this act, a written memorandum of such transfer, signed and acknowledged in manner aforesaid by the vendor of said stock or interest, may be filed with the commissioner of banking, and thereupon the individual liability of such vendor for the debts, demands and liabilities of said bank, which may be created or incurred after the expiration of six months from and after the filing of said memorandum shall cease; and in such case the purchaser of said stock shall not become or be responsible or liable in any manner for the debts, demands and liabilities of such bank unless he shall execute and file the declaration mentioned in the next preceding section.

Commissioner may disregard such declaration. SECTION 48. The commissioner of banking, his deputy or any examiner by him appointed shall not be required to take into consideration such certificate of unlimited individual responsibility in determining the impairment of capital of any bank, or in determining the solvency of any such bank.

Fees for certified copies. SECTION 49. Whenever any certified copy or copies of any records or papers filed in the office of the commissioner of banking shall be lawfully required to be furnished by him, the commissioner of banking shall be entitled to a fee of ten cents for each folio for making such copy or copies and fifty cents for each certificate. All such fees shall be paid by the commissioner of banking into the state treasury to the credit of the general fund.

How to convert unincorporated banks. SECTION 50. Any person, co-partnership or corporation doing a banking business in this state may incorporate as a state bank, as provided herein for the organization of banks, provided, that the commissioner of banking may accept good assets of such person or persons worth not less than par in lieu of cash in payment for the capital stock of such state bank. Every such person, co-partnership or corporation shall conform to the provisions of section 45 of chapter 2 of this act on or before September 1st, A. D. 1903, at which time the provisions of said section 45 of chapter 2 shall be enforced by the commissioner of banking.

CHAPTER III.

MUTUAL SAVINGS BANK.

Who may organize. SECTION 1. Any number of persons, not less than twenty, nor more than fifty, may associate for the purpose of organizing a mutual savings bank to receive on deposit the savings of laborers, mechanics, farmers, servants, minors and others; and to loan the same for the benefit of such depositors; three-fourths of such number of persons or corporators shall reside in the county where the proposed bank is to be located.

Election of membership in. SECTION 2. Every such bank may, at any annual meeting by a majority of at least two-thirds of those present, elect by ballot any citizen of the county wherein the bank is located, or of any adjoining county, to be a member thereof. Any member failing to attend the annual meeting for two successive years, such non-attendance may be deemed equivalent to a resignation and his place may be filled in the usual manner. The corporators may fill vacancies and add to their number from time to time as they may desire.

Certificate of organization. SECTION 3. They shall make, sign and acknowledge a certificate in writing in which shall be stated the name of such mutual savings bank, the names of the corporators, with the residence of each, the name of the city, village, town and county in which the operation of such bank is to be conducted. Such certificate shall be recorded in the office of the register of deeds of the county in which the business of the bank is to be carried on, and shall be then deposited in the office of the commissioner of banking.

By-laws and regulations. SECTION 4. Such corporation shall have the power to enact by-laws, not inconsistent with the laws of this state or of the United States, for the government of its affairs, and such by-laws may prescribe the conditions on which deposits shall be made, and the terms on which payments of such deposits shall be made to the depositors by such institution, and the depositors shall be bound by the regulations enacted in such by-laws, which regulations shall be printed and conspicuously posted in the office of such corporation, so as to be visible and accessible to all persons visiting the business office of the corporation.

Board of trustees or directors; quorum. SECTION 5. The corporators shall, at their first annual meeting, elect by ballot from their own number, a board of trustees or directors which shall consist of not less than nine, who shall be divided into three classes as follows: One-third shall be elected for one year, one-third for two years, and one-third for three years. After the election of the first board of trustees or directors, all subsequent trustees or directors shall be elected at the annual meeting for the full term of three years unless elected to fill a vacancy, when they shall be elected to serve the unexpired portion of the term they fill. Forty per centum of the corporators shall constitute a quorum for the lawful transaction of business at any annual or special meeting of the corporators.

Officers, how elected. SECTION 6. The trustees or directors, within ten days after their election shall elect from the members of their own board, a president, one or more vice-presidents, a treasurer and a secretary; the same person may act as secretary and treasurer; they shall also elect from their own members a committee on finance; all said officers to hold their offices until others are elected and qualified to fill their places.

Qualifications. SECTION 7. No more than one officer of any mutual savings bank shall at the same time be an officer of any bank or trust company; and no stockholder of a bank shall be treasurer of any mutual savings bank.

Treasurer's bond. SECTION 8. The treasurer shall give a bond for the faithful discharge of his duties, with surety to the acceptance of the directors or trustees, in not less than ten thousand dollars, payable to said mutual savings bank, and shall give a new bond with surety to the acceptance of the directors or trustees, as often as once in every period of three years from the date of giving the last bond. The said bond shall forthwith be recorded at length in the books of said mutual savings bank, which record shall at all times be subject to the inspection of the commissioner of banking of the state. It shall be the duty of the president of said mutual savings bank to safely keep the original bond so given. Whenever, in the judgment of the board of directors or trustees, or the commissioner of banking, it is necessary for the security of the depositors, the treasurer shall give a new bond in such amount as said board or the commissioner of banking shall require, and with such sureties as may be approved. No president, director or trustee shall be surety on the bond of such treasurer.

Compensation of officers. SECTION 9. No corporator, trustee, director, nor any other officer, except the treasurer, shall receive any compensation for his services in the management of such bank, nor derive any emolument therefrom; provided, however, that the president may receive for his services a sum not exceeding five hundred dollars, when the deposits shall exceed five hundred thousand dollars.

Director not to borrow fund. SECTION 10. No trustee or director of such mutual savings bank shall be a borrower; or surety for a borrower, of any of its funds, nor receive any money or valuable thing for negotiating, procuring or recommending any loan from such mutual savings bank, nor for selling or aiding in the sale of any stocks, bonds or securities to or by such savings bank, and any such officer who shall violate any provision of this section shall forfeit to the state one thousand dollars.

Not to issue circulating currency. SECTION 11. Such mutual savings bank shall not make and issue any bill or promissory note to circulate as currency.

Limit of individual deposits. SECTION 12. Such mutual savings bank may receive on deposit from any one person, in his or her own name or in the name of another, in any one year, a sum not exceeding one thousand dollars.

Deposits, how invested. SECTION 13. Any mutual savings bank organized hereunder may employ not exceeding one-half of its deposits in making loans on personal security, and in the purchase of the bonds of the United States, or of the northwestern states, to-wit: Ohio, Indiana, Michigan, Illinois, Iowa, Wisconsin and Minnesota, or of the authorized bonds of any incorporated city, village, town or county, or school district in the aforesaid northwestern states, or of first mortgage bond of any railroad company, which has paid annual dividends of not less than four per cent. regularly on its entire capital stock for a period of at least five years next preceding the investment, and in the consolidated mortgage bonds of any such company issued to retire the entire bonded debt of such company. All other loans shall be secured by mortgage on unincumbered real estate lying and being in the aforesaid northwestern states. No mutual savings bank shall invest any part of its deposits in the stock of any railroad company, nor loan on, nor invest in any mortgage on real estate, except such real

estate as lies in the aforesaid northwestern states. No loan shall be made upon real estate to an amount exceeding sixty per cent. of the value thereof as determined upon by not less than a majority of the members of the finance committee, who shall duly certify to the value of the premises to be mortgaged, according to the best of their judgment, and such report shall be filed and preserved with the records of the corporation.

Additional security required. SECTION 14. No such mutual savings bank shall buy or loan any money upon any obligation on which only one person or firm shall be holden, without additional security for the same, equivalent to the guaranty or indorsement of some other responsible party.

Applications for loans, how made. SECTION 15. All applications for loans shall be made in writing, through the treasurer of the corporation, who shall keep a record thereof, showing the date, name of applicants, amount asked for, and security offered, and he shall cause the same to be presented to the finance committee.

Income, how divided; guaranty fund. SECTION 16. The income or profits of every mutal savings bank after deduction of all reasonable expenses incurred in the management thereof, and the amounts reserved for a guaranty fund, shall be divided among the depositors or their legal representatives semi-annually at the times fixed by its by-laws. Every such mutual savings bank shall, before making any semi-annual dividend, reserve as a guaranty fund from the net profits which have accumulated during the six months then next preceding, a sum equal to not less than one-fourth of one per cent. nor more than one per cent. of the whole amount of deposits, until such fund amounts to ten per cent. of the whole amount of deposits, which fund shall be thereafter maintained and held in that ratio to meet losses in its business from depreciation of the securities or otherwise.

Ordinary dividends. SECTION 17. Ordinary dividends shall be made every six months if the profits are sufficient to warrant it. On all sums which have been on deposit for less than six months immediately preceding the date of dividend, dividends shall be paid pro rata at the same rate as for the semi-annual period, except that no dividend shall be paid for the fractional part of a month or of a dollar.

Extra dividends, when divided. SECTION 18. Once in every term of three years if the net profits accumulated over and above said guaranty fund and ordinary dividends amount to one per cent. of the deposits which have remained in such mutual savings bank for one year next preceding, such net profits may be divided among the depositors whose deposits remain therein for one year at least then next preceding, as an extra dividend.

Real estate held for what purposes. SECTION 19. It shall be lawful for such mutual savings bank to purchase, hold and convey such real estate as banks are authorized by the law of this state to purchase, hold and convey, except that such mutual savings bank may purchase or build a building in which to carry on its own business, but shall not invest in the land and building a sum exceeding ten thousand dollars, except upon the consent and approval of the commissioner of banking.

Deposit to be kept on hand. SECTION 20. Every such mutual savings bank shall keep on hand or on deposit in banks approved by the commissioner of banking as reserve banks, at least five per cent. of its total deposit.

General powers and liabilities. SECTION 21. Every mutual savings bank formed hereunder shall possess the powers and be subject to the provisions of the general laws relating to corporations, so far as the same may be applicable, and shall be subject to all of the provisions of this act relating to reports, examinations, liquidations, powers, liabilities and forfeitures, so far as the same may be applicable, except as herein provided. Any corporation now organized and doing business as a mutual savings bank shall continue business under this act and shall be subject to all of its provisions.

Examining auditors. SECTION 22. The corporators shall annually elect not less than two auditors, who shall not be directors, managers or trustees of the corporation, who shall examine the books, accounts and securities belonging to such bank, and make a sworn statement showing the true condition thereof, the total amount of deposits, the whole number of depositors, the largest amount due to any one depositor, the amount invested in loans on real estate securities, the amount invested in stocks and bonds, the amount of funds on hand, the names of the corporators, trustees, and of the other officers of such institution, on the first day of January of each year, which

statement shall be kept on file in the office of such mutual savings bank, and an attested copy of the same shall be forwarded to the commissioner of banking on or before the first day of February of each year.

CHAPTER IV.

MISCELLANEOUS.

Terms defined. SECTION 1. The term "bank," as used in this act, shall be construed to mean any incorporated banking institution which shall have been incorporated under the laws of this state as they existed prior to the passage of this act, and to such banking institutions as shall hereafter become incorporated under the provisions of this act. The term "mutual savings bank" shall be construed to mean any corporation organized pursuant to the provisions of the act for the organization of savings banks and savings societies, as such act existed prior to the passage of this act, or to such corporations as shall hereafter incorporate as mutual savings banks under this act. The term "lawful money," as used in this act shall be construed to mean all coin, United States notes, treasury notes, gold certificates, silver certificates, national bank notes, and all other forms of money issued by or which may hereafter be issued by or under the authority of the United States as a circulating medium, and shall also be construed to mean any form of certificate which is now or may hereafter be declared to be lawful money by any law of the United States.

CHAPTER V.

REPEALING CLAUSE.

Conflicting laws repealed. SECTION 1. All acts and parts of acts of which this act is amendatory, and all acts or laws inconsistent with the provisions of this act are hereby repealed.

SECTION 2. This act shall take effect and be in force from and after its passage and publication.

Approved May 13, 1903.