

No. 965, A.]

[Published July 29, 1933.]

CHAPTER 484.

AN ACT to create subsection (21) of section 220.07; sections 220.081 and 220.082, paragraph (c) of subsection (3) of section 221.04 and section 221.045; and to amend paragraph (a) of subsection (1) of section 222.21 and paragraph (d) of subsection (1) of section 231.32 of the statutes, relating to the powers and duties of state banks and authorizing state banks to become stockholders of the federal deposit insurance corporation.

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

SECTION 1. A new subsection is added to section 220.07, three new sections are added to the statutes, and a new paragraph is added to subsection (3) of section 221.04 of the statutes to read: (220.07) (21) Whenever any bank is operating under a stabilization and readjustment agreement and the banking commission orders the segregation of the assets of such bank, the trustees appointed pursuant to any trust agreement shall be confirmed by the circuit court of the county wherein such bank is located, such trustees shall at all times serve under the supervision of said court, and the assets of said bank covered by such trust agreement shall be administered under the supervision of said court.

220.081 FEDERAL DEPOSIT INSURANCE CORPORATION; SUBROGATION FOR DEPOSIT LIABILITY. Whenever any bank which is a class A stockholder in the federal deposit insurance corporation pursuant to the national Banking Act of 1933, is in liquidation under the provisions of section 220.08, the federal deposit insurance corporation shall be subrogated to all rights against the closed bank of the owners of deposits therein and shall be entitled to receive the same dividends from the proceeds of the assets of such closed bank as would have been payable to such depositors until such dividends shall equal the insured deposit liability to such depositors. It is the intent of this section to recognize the right of such corporation to file claims and receive dividends thereon up to the amount of the insured deposit liability, in compliance with the provisions of the said federal banking act of 1933, in order to secure for depositors in closed banks the benefits provided by said federal act.

220.082 CLOSED BANKS; ASSETS MAY BE SOLD OR OFFERED AS SECURITY FOR LOANS FROM FEDERAL DEPOSIT INSURANCE CORPORATION. Whenever any bank which is a class A stockholder in the federal deposit insurance corporation is in liquidation under the provisions of section 220.08, the banking commission may sell all or any part of the assets of such bank to said corporation or pledge such assets or part thereof as security for loans from said corporation, under such terms and conditions as the commission may deem for the best interests of the depositors and creditors of such bank.

(221.04) (3) (c) Any bank may purchase and hold, for the purpose of becoming a class A stockholder of the federal deposit insurance corporation, so much of the capital stock thereof as will qualify it for participation in the benefits of such corporation, pursuant to an act of congress, approved June 16, 1933, entitled the "Banking Act of 1933"; and may have and exercise all powers, not in conflict with the laws of this state, which are conferred upon any such stockholder bank by said act. Such stockholder bank and its directors, officers and stockholders shall continue to be subject, however, to all liabilities and duties imposed upon them by any law of this state.

221.045 PREFERRED STOCK; ISSUANCE TO FEDERAL GOVERNMENT. To enable banks to secure capital during the present economic emergency, any bank with the approval of the banking commission may, in its original articles or by amendment thereto adopted by a two-thirds vote of the stockholders, provide for preferred stock to be issued only to the federal government or any agency thereof; for the payment of dividends thereon at a specified rate before dividends are paid upon the other stock; for the accumulation of such dividends; for a preference of such preferred stock not exceeding the par value thereof over the other stock in the distribution of the bank assets other than profits; and for the redemption of such preferred stock. Such preferred stock shall be issued under such conditions and in such amount as may be approved by the banking commission and shall not have voting power.

SECTION 2. Paragraph (a) of subsection (1) of section 222.21 (as amended by chapter 259, laws of 1933) and paragraph (d) of subsection (1) of section 231.32 of the statutes are amended to read: (222.21) (1) (a) 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 sections 220.04, 220.05, 220.07, 220.08, and 220.10 *and subsection (3) of section 221.04* relating to fees, 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 chapter and shall be subject to all of its provisions.

(231.32) (1) (d) In the bonds of the federal * * * land banks authorized by the federal farm loan act approved July 17, 1916, *as amended by the emergency farm mortgage act of 1933 approved May 12, 1933, and in the bonds of the home owners' loan corporation authorized by the federal home owners' loan act of 1933 approved June 13, 1933.* Any executor, guardian or trustee may, with the approval of the court, exchange any mortgage security for bonds of the home owners' loan corporation or federal land bank bonds of a par value of the same or lesser amount.

SECTION 3. This act shall take effect upon passage and publication.

Approved July 25, 1933.

No. 970, A.]

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CHAPTER 485.

AN ACT to afford relief to farmers rendered destitute by recent storms, and making an appropriation.

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

SECTION 1. There is appropriated from the general fund, out of the unexpended balance of the receipts from the emergency taxes imposed in chapter 29, laws of the special session of 1931-32, an amount sufficient, not exceeding twenty-five thousand dollars, for the relief of farmers rendered destitute by storms in various parts of the state in the spring and early summer of 1933 prior to the effective date of this act. The allotment of the funds appropriated herein shall be made by a committee composed of two senators and three assemblymen, who shall be appointed by the governor, a member of the department of agriculture and markets selected by the commissioners of that depart-