

CHAPTER 219.

INVESTMENTS.

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219.01 Loans, advances of credit, investment in securities, insured under National Housing Act, authorized. Credit unions, building and loan associations, investment associations, state banks, savings banks, trust company banks, land mortgage associations, insurance corporations, including life companies, and fraternal benefit societies, executors, guardians, trustees, administrators, and other fiduciaries, except where it is contrary to the will or other instrument of trust, the state of Wisconsin and its agencies and its municipalities, districts, and other subdivisions, and all institutions and agencies thereof, and all other persons, associations, and corporations, subject to the laws of this state, are authorized:

(1) To make such loans and advances of credit and purchases of obligations representing loans and advances of credit as are insured by the federal housing administrator, and to obtain such insurance.

(2) To make such loans, secured by real property or leasehold, as the federal housing administrator insures or makes a commitment to insure, and to obtain such insurance.

(3) To invest their funds, and moneys in their custody or possession (which are eligible for investment and which they are by law permitted or required to invest), in notes or bonds secured by mortgage or trust deed insured by the federal housing administrator, and in debentures issued by the federal housing administrator, and in securities issued by national mortgage associations. [1935 c. 45; 1937 c. 151]

Note: State banks, savings banks and trust company banks may invest in FHA insured real estate mortgage loans on property no matter where located. 26 Atty. Gen. 481.

While domestic insurance company may invest its surplus funds in real estate mortgages under 201.25 and 219.01, it may not use its surplus funds as capital for conducting what is essentially real estate mortgage brokerage business. 28 Atty. Gen. 49.

219.02 Securities eligible for investment may be used as collateral. Wherever, by statute of this state, collateral is required as security for the deposit of public or other funds; or deposits are required to be made with any public official or department; or an investment of capital or surplus, or a reserve or other fund, is required to be maintained consisting of designated securities, notes and bonds insured and debentures issued by the federal housing administrator and obligations of national mortgage associations shall be eligible for such purposes. [1935 c. 45; 1937 c. 151]

219.03 Restrictions upon loans, security, interest rates, etc. not applicable. No law of this state requiring security upon which loans or investments may be made, or limiting the amount of loan to any stated proportion of the value of the security, or prescribing the nature, amount or form of such security, or prescribing or limiting interest rates upon loans or investments, or prescribing or limiting the period for which loans or investments may be made, or prescribing or limiting periodical instalment payments upon loans or securities, shall be deemed to apply to loans or investments made pursuant to this chapter. [1935 c. 45]

219.04 Separability. If any provision of this chapter, or the application of such provision to any person, body, or circumstance shall be held invalid, the remainder of this chapter, or the application of such provisions to persons, bodies or circumstances other than those as to which it is held invalid, shall not be affected thereby. [1935 c. 45]

219.05 Investment in shares insured by the federal savings and loan insurance corporation. (1) The investment by any title insurance company, stock fire insurance company, stock marine insurance company, stock fire and marine insurance company, stock casualty insurance company, stock life insurance company, domestic mutual casualty insurance company, mutual life insurance company, mutual fire insurance company, credit unions; or the investment of funds of any state insurance fund, state sinking fund, state school fund, firemen's relief and pension fund, police pension fund, or other pension fund; or the investment by any building and loan association; or by any federal savings and

loan association; or by any administrative department, board, commissioner or officer of the state, authorized by law to make investments of funds in the custody or under the control of such department, board, commission, or officer, guardian, trustee, or other fiduciary, school district or township, in shares of any local building and loan association in an amount not exceeding five thousand dollars; or in shares of any federal savings and loan association or other institution within the state, to the extent to which the withdrawal or repurchasable value of such shares now are, or may hereafter be, insured by the federal savings and loan insurance corporation, under acts of congress of the United States now in effect or which may hereafter be enacted, shall be lawful.

(2) The legality of such investment shall not be impugned, whether the person, firm, or corporation or association, board, or commission, making the same be foreign or domestic; or whether such investment be made from capital, reserves, or surplus; or whether made in a fiduciary or other capacity. [1939 c. 383]