CHAPTER 234.

Miscellaneous Banking Provisions.

224.01 History: 1903 c. 224 c. IV s. 1; Suppl. 1906 s. 224-78; 1913 s. 605 s. 410; 1923 s. 261 s. 9; Stats. 1923 s. 224.01; 1935 c. 10.

224.02 History: 1909 c. 285; Stats. 1911 c. 2042-78L; 1923 c. 291 s. 3; Stats. 1923 s. 224.02; Sp. 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 697.

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. Holm Shoe Mfg. Co. v. Industrial Comm. 217 W. 138, 124 NW 449.

An employer who permits his employees and others to leave their wages and earnings with him and issues an acknowledgment thereof, 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. 2024-78L, Laws 1913. 3 Atty. Gen. 253.

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. 235.

Banking business covers more than the acts named in sec. 224.02, Stats. 1919. 8 Atty. Gen. 790.

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 be regulated in the same way as, where it makes loans only to its own members. 10 Atty. Gen. 406.

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. 2024-78L, Stats. 1921. 11 Atty. Gen. 28.

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 coal 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. 392.

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. 408.

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. 993.

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 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 234.02 and 234.03, Stats. 1937. 27 Atty. Gen. 554.

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-
pay such charge. 38 Atty. Gen. 319.

Where the instructions given by the payee agreed to do, violates the statutes. 15 Atty. Gen. 169.

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 114-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. 496.

226.05 History: 1931 c. 183 s. 3; 1931 c. 475 s. 12; Stats. 1931 s. 226.05.

226.06 History: 1927 c. 483; Stats. 1927 s. 226.045; 1931 c. 97 s. 8; Stats. 1931 s. 226.06.

226.12 History: 1854 c. 39 s. 1, 2; 1856 c. 130 s. 135; R. S. 1866 c. 145 s. 6; R. S. 1878 s. 130; Stats. 1880 s. 130; 1893 c. 291 s. 3; Stats. 1893 s. 226.12; 1931 c. 97 s. 16.

226.13 History: 1854 c. 39 s. 2; R. S. 1866 c. 14b s. 7; R. S. 1878 s. 130; Stats. 1880 s. 3208; 1893 c. 291 s. 3; Stats. 1893 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 fund 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 235, 216 NW 147.