

Opinion No. 302**Building and Loan Associations—Investment of Assets—Federal Home Loan Corporation Bonds.**

HELD: A building and loan association, upon the approval of the Superintendent of Banks, may invest not to exceed 10% of its assets in bonds of the Federal Home Owners' Loan Corporation.

August 12, 1933.

You have submitted to this office a question whether or not a building and loan association may invest a part of its money in bonds and securities issued by the Federal Home Owners' Loan Corporation.

Chapter 11, Laws of 1933, Section 1, provides for the amendment of Section 12, Chapter 57, Laws of 1927. Subsection c of Subdivision 15, of said Section 12, as amended, permits a building and loan association to invest the money of the association in "(c) Not to exceed ten per cent of the association assets in such other bonds and securities as may be approved by the Superintendent of Banks."

It is my opinion that this provision last quoted permits a building and loan association, upon the approval of the Superintendent of Banks, to invest not to exceed ten per cent of the association assets in bonds and securities of the Federal Home Owners' Loan Corporation.

(Note: See Opinion No. 524, this volume. The 10% restriction is not removed by Chapter 5, Laws of 1933-34.)