Deposit Guaranty in North Dakota, 1918-1929

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MATERIALS REGARDING DEPOSIT
GUARANTY IN NORTH DAKOTA, 1918-1929

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NORTH DAKOTA

Additional material can be found in the following folders filed with this binder:

Number and deposits of failed banks
Financial operation of guaranty fund

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MATERIALS REGARDING DEPOSIT
GUARANTY IN NORTH DAKOTA, 1918-1929

Bibliographical notes
Legislation
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I. Bibliographical Notes

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NORTH DAKOTA

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1921, ch. 23.
1923, chs. 137, 138, and 200
1925, chs. 92, 94, 95, and 155
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1929, chs. 87, 88, 122.
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22

110 - DGFC

166

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21 - DGFC.

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139

199 - BL of ND dep'n

18

93

1925 — 92, 94, 95, 155

1927 — 91, 93, 94, 95, 98, 99 92, 96, 97

131 100

257 SBE

260

1929 — 87, 88, 122

1931 135

CW:evp STAT

July 29, 1955

Note. This was prior to my trips in 1955 and 1956 on which much additional information was collected. CW 12/27/67

MEMORANDUM

TO: Dr. Cramer

FROM: Clark Warburton

SUBJECT: Paucity of information regarding deposit guaranty in North Dakota and Texas

Miss Thompson has completed a draft of a report on the deposit guaranty system of North Dakota, and is now beginning to work on a report of the system in Texas. When the Texas report is finished, we will have drafts of such reports for all eight of the States establishing deposit guaranty systems during the 1907-1917 period.

Of the reports completed (or nearly completed) to date, five are in reasonably good shape except that they need a careful review and editing. These are the reports for Oklahoma, Kansas, Nebraska, Mississippi, and Washington. The draft report for South Dakota, prepared by Mr. Behrens, needs more re-writing, and also further exploration of possible sources of additional information.

The section of the North Dakota report on the financial history of the guaranty fund is seriously deficient. This is because there is no information regarding the operations of the fund in the banking reports of the State Bank Examiner, and none has been found in other State reports (State treasurer, auditor, etc.) available in the Library of Congress.

For Texas the problem of information on the financial history of the guaranty fund is equally serious. There are no reports of the banking department, and when we were originally collecting information on the State guaranty funds, we found very little information in other State documents.

For both North Dakota and Texas we attempted (when previously working on the material) to obtain the needed data by correspondence. While we obtained some information, it was inadequate. After this lapse of time, it is highly doubtful that we can obtain much more, if any, by the same means. So far as I can see, there are only two procedures that may give us a reasonably adequate amount of information: (1) to ask some university professor to undertake an examination of the materials available at the State banking department or in other State records; or (2) to send a member of our staff to make such an examination. In either case, arrangements should be made in advance with the State banking department or other probable custodian of the records.

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August 12, 1955

MEMORANDUM

TO: Dr. Warburton

FROM: Helen Thompson

SUBJECT: Sources and adequacy of information, North Dakota Guaranty Fund

Complete statements pertaining to the bank depositors' guaranty fund in North Dakota are not available in the Reports of the State Examiner to the State Banking Board.

The only information regarding the fund published in the reports of the State Examiner is the amount of assessments credited by participating banks to the depositors' guaranty fund. This is shown annually in the summary statements for all State banks, 1917-1928.

Payments by the guaranty fund for banks which failed subsequent to January 1, 1921 are given in the schedules collected by the Federal Reserve Committee on Branch, Group and Chain Banking. The amounts of payments as shown in the Federal Reserve schedule are not complete since final settlement had not been made with a number of the failed banks at the time the schedule was prepared. Some further information regarding payments has been made available through correspondence with various officials in the State Banking Department of North Dakota.

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NORTH DAKOTA — Senate & House Journals

Bills for deposit guaranty

Senate Journal 1907

House Journal 1915 — House Bill No. 224 — Ind. Indefinitely postponed

House Journal 1907 — " " No. 258 — Lost

House Journal 1909 — " " No. 49

Law of March 8, 1921 — Ch 56, Laws of 1921 re Depositaries

Provided that State & National banks in N. Dak. and Banks of North Dakota are legal depositaries of public funds of counties, townships, school districts & villages.

Records to Journals of Senate.

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II. legislation

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1913

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Compiled Laws of N.D., 1913, Vol I

CHAPTER 28.

BANKING CORPORATIONS.

also applies to ... also.

5146. Creation of banking department. State banking board. (1) There is hereby created a department of banking which shall have charge of the execution of all laws relating to state banks, savings banks, trust companies, building and loan associations, mutual investment corporations, mutual savings corporations and other financial corporations heretofore or hereafter organized or doing business under the laws of the state of North Dakota, and engaged wholly or in part in the receiving of deposits or the selling of their certificates of indebtedness or other obligations to the public. Such department shall be designated as the "department of banking," and it shall be under the management and control of the state banking board and a chief officer to be known as the state examiner.

(2) The state banking board shall consist of the governor, the secretary of state and the attorney-general; and ex-officio the president and secretary of the coproration known as the North Dakota bankers' association, so long as said corporation shall maintain its corporate capacity. None of the members of said board shall receive any compensation for their services other than that now provided by law and the two members last named shall be entitled to attend all meetings of said board and to participate in its deliberations but shall not vote in the deciding of questions coming before it. The governor shall be the chairman of said board and the attorney-general shall be ex-officio the attorney for the board, and the state examiner shall be its secretary. A majority of the first three members shall constitute a quorum. Said board shall hold regular meetings on the first Wednesdays of January, April, July and October of each year, at the office of the department in the state capital at Bismarck, and special meetings at the call of the governor.

(3) the said board shall have, and there is hereby vested in it, the power

Note: Notation in red "a savings bks" means applies to savings bks. also.

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to make such rules and regulations for the government of such corporations, as in its judgment may seem wise and expedient, which rules shall not conflict with any laws of the state of North Dakota or of the United States. It shall be the duty of said board at each regular meeting and at any special meeting called for that purpose, to examine all reports made by said corporations relating to their condition, and all reports of regular and special examinations made by the state examiner and deputy examiners from his department and filed with said board during the preceding quarter or such period as shall have elapsed since the last meeting of said board, and to approve or disapprove the same, and to make and enforce such orders as, in its judgment, may be necessary or proper to protect the public and particularly the depositors or creditors of said institutions. Said board and the state examiner and deputy examiners shall have the power to subpoena witnesses, administer oaths, and generally to do and perform any and all acts and things necessary to the complete performance of the duties herein imposed, and to enforce all of the provisions of this article, and for the purpose of enabling them to perform all the duties imposed upon them, the provisions of section 8200 shall be held as applicable to their proceedings. Any and all orders made by said board shall be immediately operative and remain in full force until modified, amended or annulled by such board, or by a court of competent jurisdiction, in an action to be commenced by the party against whom such order may have been issued. Said board shall keep a full and complete record of all its proceedings and of all orders made by it, and the records of the state banking board, and of the state examiner, and of any and all reports made by or filed with the board or the state examiner shall, under proper restrictions, during regular business hours, be open to inspection and examination by stockholders, depositors, creditors and sureties on any bonds of any of the said corporations or on the bonds of any officer or employe thereof. The said board is hereby vested with the power and authority to appoint by its own order, receivers for insolvent corporations as defined in this article, and such receivers shall have the same power and authority, and their acts the same validity as if appointed under and by the direction of a district court, but nothing herein contained shall be construed so as to take away from the courts the power to appoint receivers of such institutions at any stage of the proceedings and thus terminate the receivership ordered by the board.

(4) The state examiner shall, under the direction and subject to the orders of the state banking board, exercise a constant supervision, either personal or through the deputy examiners hereinafter provided for, over the business and affairs of all the financial corporations placed by this act within the jurisdiction of the state banking board and shall, personally or through the deputy examiners herein provided for, visit at least twice each year, all of said corporations, inspecting and verifying the assets and liabilities of each, and so far investigate the character and value of the assets of each such corporation as to ascertain with reasonable certainty that the values are correctly carried on its books. He shall further investigate the methods of operation and conduct of said corporations and their systems of accounting, to ascertain whether such methods are in accordance with the law and sound banking usage and principles, and report the findings, conclusions and recommendations upon such examinations to the banking board and put into force and effect such orders and directions as it may make in reference thereto.

(5) The state examiner shall be ex-officio secretary of the state banking board, and he shall keep all proper records and files pertaining to the duties and work of his office and the proceedings of the board and shall report to the board annually, touching on all his official acts and those of his deputy examiners, giving abstracts of statistics and of the conditions of the various

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institutions to which his duties relate, and making such recommendations and suggestions as he may deem proper, which report shall be printed and bound in a satisfactory and substantial manner and distributed among all of the state banks and other corporations within his jurisdiction. The state banking board shall make biennial reports the same as other state officers and boards, in which there shall be included with a full report of its proceedings, a summary or abstract of the reports of the state examiner.

(6) The state examiner may, subject to the approval of the state banking board, appoint and at pleasure remove, not more than ten (10) deputy examiners and one stenographer and such other employes as may in the judgment of the state banking board, be necessary for the proper discharge of the business of his department. Each deputy examiner shall give bond to the state in the sum of ten thousand dollars to be approved and filed in the same manner as the bond of the state examiner. The state examiner shall select and designate one of said deputy examiners to be the office deputy and to act during the absence or disability of the state examiner, and in such cases the deputy examiner so authorized shall have charge of the office and administer its affairs. Six of the said deputy examiners so appointed shall have had at least three years' active experience in bank work within this state and shall furnish such evidence of qualification as expert accountants and general fitness for the duties as may be demanded by the banking board.

amended 1917, Ch. 219, S-1

(7) For the purpose of the better administration of his department the state examiner shall, immediately after the taking effect of this act, proceed to divide the state into six districts which shall have as nearly as may be, banks and other financial institutions of an equal number, and arranged with reference to convenience and economy in travel and shall at once designate the district in which each of his six deputy examiners shall make examinations, and such deputy examiners shall confine their work, as near as may be, to the examination of corporations located within their respective districts, except that any such deputy examiners may be temporarily transferred to other districts, or more than one deputy examiner may be assigned temporarily to any district when the proper performance of the work therein would indicate the necessity for so doing. No deputy examiner shall have any interest directly or indirectly in any corporation within the jurisdiction of the banking department, nor in any corporation engaged wholly or in part in the writing or issuing of bonds of or for any such corporation or of the officers or employes of any such corporations.

amended 1917, Ch. 219, S-2

(8) Each deputy examiner herein provided for shall be under the direct orders and instructions of the state examiner and shall make report to him in such form as he or the banking board may prescribe during or immediately after the completion of the examination of each financial institution examined by him, with such recommendations and suggestions as he may deem advisable.

(9) The salary of each deputy examiner shall be two thousand dollars per annum and in addition thereto he shall be paid his actual and necessary travelling expenses when engaged in the discharge of his duties; the salary of the stenographer shall be twelve hundred dollars per annum and the salaries of other clerks or assistants herein provided for, shall be fixed by the state banking board. [1911, ch. 55, § 1; R. C. 1905, § 4635; 1905, ch. 165, § 1.]

amended 1917, Ch. 219, S-3

See section 5204.

As to biennial reports by the state banking board. See sections 95, 97, 98, 633.

State banking law is a proper exercise of the internal police power of the state. State ex rel. Goodsill v. Woodmansee, 1 N. D. 246, 46 N. W. 970.

§ 5146a. Appropriation. There is hereby annually appropriated from any moneys in the state treasury not otherwise appropriated, the sum of twenty-nine thousand dollars or so much thereof as may be necessary for the pay-

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ment of the salaries and expenses of the persons to be appointed under the provisions of this act. [1911, ch. 55, § 5.]

The words "this act" as here used mean sections 5146, 5149, 5155, 5179.

§ 5146b. Repeal. All acts and parts of acts inconsistent with or repugnant to this act are hereby repealed; provided, however, that this act shall not affect any offense committed, any right acquired, or any obligation imposed by or under any law in force up to the date of the taking effect of this act. But all such offenses, rights and liabilities shall remain and be prosecuted, maintained or defended under the law existing at the time such offense was committed or such right or liability accrued. [1911, ch. 55, § 6.]

As to the words "this act," see note to section 5146a.

§ 5147. Who may form. Associations for carrying on the business of banking under this chapter may be formed by any number of natural persons, not less than three, two-thirds of whom shall be residents of this state. They shall enter into articles of association which shall specify in general terms the object for which the association is formed, and may contain any other provisions, not inconsistent with law, which the association may see fit to adopt for the regulation of its business and the conduct of its affairs. These articles shall be signed and acknowledged by the persons uniting to form the association and shall be filed in the office of the secretary of state. [R. C. 1905, § 4636; 1890, ch. 23, § 1; 1893, ch. 27, § 1; R. C. 1899, § 3226; 1905, ch. 165, § 2.]

Banking corporation organized before legislative authority so to do, is corporation de facto on receiving deposits after such authority is given, although not filing required certificate. Mason v. Stevens, 16 S. D. 320, 92 N. W. 424.

Power to prohibit or regulate banking business by individuals. 15 L.R.A. 477; 5 L.R.A.(N.S.) 874; 25 L.R.A.(N.S.) 1217.

§ 5148. Organization certificate. Contents. The persons uniting to form such an organization shall, under their hands, make an organization certificate which shall specifically state:

1. The name assumed by such association, which name shall not be the name of any other bank in the state, nor of any bank heretofore incorporated in the state of North Dakota or in the territory of Dakota.
2. The place where the business of discount and deposit is to be carried on.
3. The amount of the capital stock and the number of shares into which the same shall be divided.
4. The names and places of residence of the shareholders and the number of shares held by each of them.
5. The period at which such bank shall commence and terminate business. [R. C. 1905, § 4637; 1890, ch. 23, § 2; 1893, ch. 27, § 2; R. C. 1895, § 3227; 1905, ch. 165, § 3.]

§ 5149. Acknowledgment and record. The organization certificate shall be acknowledged before a clerk of some court of record, or a notary public, and shall be, together with the acknowledgment thereof, authenticated by the seal of such court or notary, recorded in the office of the register of deeds in the county where such banks may be established, and such certificate thus authenticated shall be transmitted to the secretary of state who shall record and carefully preserve the same in his office, certify the facts to the state banking board and issue a certificate of authority to the corporation, which certificate of authority shall be transmitted to and held by the state examiner until an examination is made and the certificate of the state examiner or a deputy examiner procured, to the effect that the capital stock has been paid in full, and that all conditions of the law have been strictly complied with. [1911, ch. 55, § 2; R. C. 1905, § 4638; 1890, ch. 23, § 3; 1893, ch. 27, § 3; R. C. 1899, § 3228; 1905, ch. 165, § 4.]

Amended 1927, ch. 91, § 1

§ 5150. Powers. Upon making and filing articles of association and an organization certificate, the association shall become, as from the date of the execution of the same, a body corporate, and as such and in the name designated in the certificate, it shall have the power:

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1. To adopt and use a corporate seal.

2. To have succession for a period of twenty-five years from its organization, unless it is sooner dissolved, according to the provisions of this chapter, or unless its franchise becomes forfeited by some violation of law.

3. To make contracts.

4. To sue and be sued.

5. To elect or appoint directors, two-thirds of whom must be residents of this state, and by its board of directors to appoint a president and vice-president, who shall be members of said board, a cashier and assistant cashier and such other employes as may be required; define their duties, require bonds of them and fix the penalty thereof; dismiss such officers or any of them, and appoint others to fill their places.

6. To provide by its board of directors, by-laws, not inconsistent with the laws of this state, to regulate the manner in which its stock shall be transferred, its directors elected or appointed, its officers appointed, its property transferred, its business conducted and the privileges granted it by law exercised and enjoyed.

7. To exercise by its board of directors, or duly authorized officers or agents, subject to law, all such incidental powers as shall be necessary to carry on the business of banking, by discounting and negotiating promissory notes, bills of exchange, drafts and other evidences of debt, by receiving deposits, by buying and selling exchange, coin and bullion, by loaning money upon real or personal security, or both; but no association shall transact any business, except such as incidental and necessarily preliminary to its organization, until it has been authorized by the secretary of state to commence the business of banking, and the secretary of state may withhold from any association his certificate authorizing the commencement of business, whenever he has reason to suppose that the shareholders have formed the same for any other than legitimate objects as contemplated by this chapter.

8. No such association shall have or carry among its assets at any one time loans dependent wholly upon real estate security in any amount exceeding twenty-five per cent of total loans and discounts, and then only upon first mortgages which shall not exceed forty per cent of the actual cash value of the property mortgaged, and in selling or disposing of said loans so made upon real estate security no such association shall have power to guarantee the payment or collection thereof, and any such guaranty made in violation of this provision shall not be binding upon such association but shall be upon the person or officer making the same. [1913, ch. 51; R. C. 1905, § 4639; 1899, ch. 28, § 1; R. C. 1899, § 3229; 1905, ch. 165, § 5.]

5. President of state bank must be stockholder thereof. McCarty v. Kepreta, 24 N. D. 395, 48 L.R.A.(N.S.) 65, 139 N. W. 1012.

Liability of bank on negotiable paper executed by officer or agent. 21 L.R.A.(N.S.) 1079.

Implied power of cashier of bank to sell or lease property. 31 L.R.A.(N.S.) 737.

Power of bank officer to bind bank by agreement that liability of party to commercial paper shall not be enforced. 28 L.R.A.(N.S.) 501.

7. Right of bank to engage in business to save debt. 27 L.R.A.(N.S.) 243.

Liability of directors to bank for acts in excess of their powers. 55 L.R.A. 758.

——for default or negligence of cashier. 4 L.R.A.(N.S.) 597.

——in case of bad loans or investments. 55 L.R.A. 762; 39 L.R.A.(N.S.) 173.

§ 5151. Limiting the powers of its investment in banking house furniture, fixtures, including the lot or parcels of land on which banking house is located. It shall be unlawful for any corporation having banking powers and a capital stock of twenty thousand dollars or more, to invest over thirty per cent of such stock and unimpaired surplus in banking house furniture and fixtures, including the lot, piece or parcel of land on which such banking house is located; provided, that similar corporations with a capital stock of ten thousand dollars and less than fifty thousand dollars may invest forty

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per cent of its stock and unimpaired surplus, and those with fifteen thousand dollars and less than twenty thousand dollars stock may invest thirty-five per cent of its capital stock and unimpaired surplus in such banking house furniture, fixtures and lot, piece or parcel of land on which such banking house is located. [1913, ch. 52, § 1; 1911, ch. 54, § 1; R. C. 1905, § 4640; 1899, ch. 28, § 2; R. C. 1899, § 3230; 1905, ch. 165, § 6.]

§ 5152. Powers as to other real estate. It shall have the power to purchase, hold and convey such other real estate as shall be mortgaged to it in good faith by way of security for loans, or for debts previously contracted.

Such as may or shall be mortgaged to it in good faith in satisfaction of debts previously contracted in the course of its dealings.

Such as it shall purchase at sales under judgments, decrees or mortgages held by the corporation, or shall purchase to secure debts due it; but no banking corporation shall hold the possession of any real estate under mortgage, or title and possession of any real estate purchased to secure indebtedness, for a longer period than five years from the date of acquiring title thereto. And all real estate heretofore and hereafter conveyed by any such banking corporation, shall be deemed to have been acquired, held and disposed of in conformity with the provisions of this chapter. [1913, ch. 52, § 2; 1911, ch. 54, § 2; R. C. 1905, § 4640; 1899, ch. 28, § 2; R. C. 1899, § 3230; 1905, ch. 165, § 6.]

Authorizes bank to receive real property deeds as security for past indebtedness. Merchants State Bank v. Tufts, 14 N. D. 238, 116 Am. St. Rep. 682, 103 N. W. 760.

§ 5153. Penalty. Any banking corporation violating the provisions of this act [sections 5151–5154] shall be subject to a fine of not more than five hundred dollars and cancellation of its organization certificate. [1913, ch. 52, § 3; 1911, ch. 54, § 3.]

§ 5154. Duty of state examiner. It shall be the duty of the state examiner to enforce the provisions of this act. [1913, ch. 52, § 4; 1911, ch. 54, § 4.]

§ 5155. Capital stock. Hereafter no association shall be organized under this chapter in cities, towns or villages containing less than one thousand inhabitants with a capital stock of less than ten thousand dollars; in cities, towns or villages containing over one thousand inhabitants and less than two thousand inhabitants, with a capital stock of less than twenty thousand dollars; in cities, towns or villages of over two thousand, and not exceeding three thousand inhabitants, with a capital of less than thirty thousand dollars; in cities, towns or villages of over three thousand and not exceeding four thousand inhabitants, with a capital of less than thirty-five thousand dollars; in cities, towns or villages of over four thousand, and not exceeding five thousand inhabitants, with a capital of less than forty thousand dollars; and in cities, towns or villages of over five thousand inhabitants, with a capital of less than fifty thousand dollars. All of the capital stock of every association shall be paid in before it shall be authorized to commence business, and evidence of such payment of capital stock either in actual money or a deposit in a previously approved correspondent bank must be furnished to the state examiner or deputy examiner before the certificate of authority may be delivered. For the purpose of this section, the population of the city, town or village shall be determined by multiplying by four the total vote cast for member of congress, at the last general election held in such city, town or village; no such association having been organized to transact business in any city, town or village, and which may have sold or converted its business to a national bank, or other banking business which is continued at the same place, shall be allowed to remove its charter or its articles of incorporation to and recommence business at another place; but where it can be clearly shown that a banking association which has not changed, sold or converted its business as hereinbefore recited, is located at a place where there is not sufficient business for the profitable conduct

Amended 1915, Ch. 56

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of a bank, such association may apply to the banking board for authority to remove its business to some other place within the state and to change its name if desired; and upon the approval of such application by the state banking board and the proper amendment of the article of incorporation, the board may issue authority for such removal and change; provided, that no such association shall be allowed to remove its business to any city, town or village without having the full amount of capital stock required by this chapter for a new organization in such city, town or village. The corporate existence of any bank or corporation heretofore organized with a capital of less than ten thousand dollars shall not be renewed unless such corporation seeking to renew its existence shall increase its capital to the amount required by this act for the organization of a new banking corporation in the city, town or village where such bank is located at the time of such renewal. When any association whose capital is less than ten thousand dollars, applies for a renewal of its corporate existence, it shall, before being permitted to continue its corporate existence, furnish satisfactory evidence through the state banking board that its articles of association have been properly amended and the full amount of the increased capital has been actually paid in cash; provided, that such association in renewing its existence, may, with the consent and approval of the state banking board, convert its then accumulated surplus and undivided profits into capital, to be apportioned amongst the shareholders entitled thereto, or their assigns. [1911, ch. 55, § 3; R. C. 1905, § 4641; 1897, ch. 31; R. C. 1899, § 3231; 1901, ch. 29; 1905, ch. 165, § 7.]

§ 5156. Certificate and authorization published. The association shall cause the organization certificate and the certificate of authority of the secretary of state, issued under this chapter, to be published in some newspaper in the city or county where the association is located, for at least four consecutive weeks next after the issuing thereof, and proof of such publication to be filed with the state banking board. [R. C. 1905, § 4642; 1890, ch. 23, § 7; 1893, ch. 27, § 7; R. C. 1899, § 3232; 1905, ch. 165, § 8.]

See section 5204.

§ 5157. Banks have official number. It is hereby provided that all banks existing and hereafter organized under the laws of this state shall be numbered and shall receive from the secretary of state an official number, and it shall be the duty of the secretary of state to notify each bank of its official number and also file a list of same with the state bank examiner. [1909, ch. 43.]

§ 5158. Articles as evidence. A certified copy of the articles of incorporation of any banking association, organized under the provisions of this chapter, may be used as evidence in all courts for or against any person or such banking association for or against whom such evidence is necessary, whether on civil or criminal trials. [R. C. 1905, § 4643; 1890, ch. 23, § 8; 1893, ch. 27, § 8; R. C. 1899, § 3233; 1905, ch. 165, § 9.]

See section 5204.

§ 5159. Delinquent stock, how sold. Whenever any shareholder or his assignee fails to pay any installment on the stock when the same is required to be paid, the directors of such association may sell the stock of the delinquent shareholder, or as much thereof as is necessary to satisfy the debt, at public auction after having given three weeks' previous notice thereof in a newspaper published and in general circulation in the city or county where the association is located to any person who will pay the highest price therefor, to be not less than the amount due thereon, with the expenses of the advertisement and sale, and the excess, if any, shall be paid to the delinquent shareholder. If no bidder can be found who will pay for such stock the amount due thereon to the association, and the costs of advertisement and sale, the amount previously paid shall be forfeited to the association, and

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such stock shall be sold as the directors may order within three months from the time of such forfeiture, and if not so sold it shall be cancelled and deducted from the capital stock of the association. [R. C. 1905, § 4644; 1890, ch. 23, § 9; 1893, ch. 27, § 9; R. C. 1899, § 3234; 1905, ch. 165, § 10.]

See section 5204.

§ 5160. Shares. Value. Liability of shareholders. The capital stock of each association shall be divided into shares of one hundred dollars each, and be deemed personal property and transferable on the books of the association in such manner as may be prescribed by the by-laws or articles of such associations; but no transfer of such stock shall be valid against a bank or any creditor thereof, so long as the registered holder of such stock shall be liable as principal debtor, surety or otherwise to the bank for any debt which shall be due and unpaid; nor in any case shall any dividend, interest or profit be paid on such stock so long as such liability continues, but such dividend, interest or profit shall be retained by such bank and applied to the discharge of such liabilities. Every person becoming a shareholder by such transfer shall, in proportion to his shares, succeed to all rights and liabilities of prior holders of such shares, and no change shall be made in the articles of association by which the rights, remedies or security of the existing creditors of the association shall be impaired. [R. C. 1905, § 4645; 1890, ch. 23, § 10; 1893, ch. 27, § 10; R. C. 1899, § 3235; 1905, ch. 165, § 11.]

See section 5204.

§ 5161. Capital stock, how increased or reduced. Any association formed under this chapter, may by its articles of association, or by subsequent resolution or written agreement of holders of a majority of its stock, provide for an increase of its capital stock from time to time as may be deemed expedient, subject to the rules and limitations of this chapter, and upon approval of the state banking board. But no increase of capital stock shall be valid until the whole amount shall be paid in cash, and such payment certified under oath by the president or cashier of such association to the secretary of state, who shall give his certificate that the provisions of this section have been complied with and specifying therein the amount of such increase in capital stock, and that it has been duly paid in as part of the capital thereof and file a copy of such certificate with the state banking board. Any association formed under this chapter may, by vote of its shareholders owning two-thirds of its stock, reduce its capital to any sum, not below the amount required by this chapter to authorize the formation of the association, but no such reduction shall be made until the amount of the proposed reduction is reported to the state banking board and their approval thereof obtained in writing, and no such reduction shall be construed as affecting the liability of shareholders for any debts of the association incurred prior to such reduction, and every such reduction before the same shall become valid must be certified to in the same manner as an increase of capital stock. [R. C. 1905, § 4646; 1890, ch. 23, § 11; 1893, ch. 27, § 11; R. C. 1899, § 3236; 1905, ch. 165, § 12.]

See section 5204.

§ 5162. How dissolved. Duties of state examiner. Any association organized under the provisions of this chapter, may be dissolved by the district court of the county where its office or principal place of business is situated upon its voluntary application for that purpose. The application must be in writing, and must set forth that at a meeting of the stockholders or members called for that purpose, the dissolution was resolved upon by a two-thirds vote of all the stockholders or members, and that all claims and demands against the association have been satisfied and discharged. The application must be signed by a majority of the board of directors, or other officers having the management of the affairs of the association, and must be verified in the same manner as a complaint in a civil action. A certified copy of the application shall be filed with the state examiner, or such state officer as is

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by law authorized to examine such association, within ten days after the filing of such application with the district court. If the court is satisfied that the application is in conformity with this chapter, it must order the application to be filed, and that the clerk give not less than thirty nor more than sixty days' notice of the application by publication in some newspaper published in the county, and if there are none such, then by advertisement posted in five of the principal public places in the county. At any time before the expiration of the time of publication, any person may file his objections to the application. Before the final hearing and determination of the application, the state examiner shall make a thorough examination of the affairs of such association, and file a certified statement of such examination with the clerk of court of the county where such application is made, which statement shall be a part of the papers in the case. After the time of publication has expired the court may, upon five days' notice to the persons who have filed objections or without further notice if no objections have been filed, proceed to hear and determine the application, and if all the statements therein made are shown to be true, the court must declare the association dissolved. No stockholder or officer of such association shall be allowed to withdraw from such association, or surrender or dispose of his shares of stock after the filing or making of such application for dissolution and prior to the final determination of the case. Upon the dissolution of such association by the district court, the clerk of said court shall forthwith notify the secretary of state of such dissolution, by sending a copy of the order of the court, and said order and notice shall be filed by the secretary of state with the original certificate of organization. The application, notices and proof of publication, objections, if any, and declaration of dissolution, constitute the judgment roll, and from the judgment an appeal may be taken in the same manner as in other actions. The secretary of state shall immediately certify such dissolution to the state examiner. [R. C. 1905, § 4647; 1890, ch. 23, § 12; 1893, ch. 27, § 12; R. C. 1899, § 3237; 1905, ch. 165, § 13.]

See section 5204.

§ 5163. Dividends. Surplus fund. The directors of any association organized under this chapter may, semi-annually or annually, declare a dividend of so much of the net profits of the association as they shall deem expedient, but each association shall, before the declaration of a dividend, carry one-tenth of its net profits to its surplus fund until the same shall amount to twenty per cent of its capital stock. [R. C. 1905, § 4648; 1890, ch. 23, § 13; 1893, ch. 27, § 13; R. C. 1899, § 3238; 1905, ch. 165, § 14.]

§ 5164. Qualification of directors. Every director must own in his own right and retain in his possession and control free from hypothecation or pledge for any debt, at least ten shares of the capital stock of the association for which he is a director; any director who ceases to be the owner and in possession of ten shares of the stock free and non-hypothecated, or who becomes in any manner disqualified, shall thereby vacate his place. Every such director when elected or appointed shall take an oath that he will, so far as the duty devolves upon him, diligently and honestly administer the affairs of such association, and will not knowingly violate or willingly permit to be violated, any of the provisions of this chapter, and that he is a bona fide owner of the number of shares of stock required by this chapter to become a director, standing in his own name on the books of the association, and that said stock is in his possession and control and not hypothecated or in any way pledged as security for any debt. Such oath, subscribed by the director making it, and certified by the officer before whom it was taken, shall at once be transmitted to the state examiner to be filed in his office. [R. C. 1905, § 4649; 1890, ch. 23, § 14; 1893, ch. 27, § 14; R. C. 1899, § 3239; 1905, ch. 165, § 15.]

§ 5165. No dividends, when. Bad debts. No association shall nor shall any member thereof, during the time it shall continue its banking operations,

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withdraw or permit to be withdrawn, either in form of dividends or otherwise, any portion of its capital. If losses have at any time been sustained by such association, equal to or exceeding its undivided profits then on hand, no dividend shall be made; and no dividends shall be made by any association while it continues its banking business to an amount greater than its net profits on hand, deducting therefrom its losses and bad debts. All debts due to an association made or continued in violation of any of the provisions of this article, shall be considered bad debts within the meaning of this section, and the state banking board is empowered, and it is made the duty of such board, to ascertain and designate such bad debts, to make and enforce such orders and to institute such proceedings as may be deemed necessary to dispose of the same or to convert them into good assets. [R. C. 1905, § 4650; 1890, ch. 23, § 15; 1893, ch. 27, § 15; R. C. 1899, § 3240; 1905, ch. 165, § 16.]

§ 5166. Rate of interest. Such association may demand and receive for loans on personal security, or for notes, bills or other evidences of debt, discounted, such rate of interest as may be agreed upon, not exceeding the amount authorized by law to be contracted for, and it shall be lawful to receive such interest according to the ordinary usage of banking associations and for not more than one year in advance. [R. C. 1905, § 4651; 1890, ch. 23, § 16; 1893, ch. 27, § 16; R. C. 1899, § 3241; 1905, ch. 165, § 17.]

See section 5204.

§ 5167. Regular and special reports. Penalties for failure to make. Every banking association, savings bank and trust company organized under this chapter, shall make at least five reports each year to the state examiner, in such form as the state banking board shall prescribe; such forms to be as nearly as possible like those prescribed by the comptroller of the currency for similar reports for national banks. Such report shall exhibit in detail, under appropriate heads, the resources and liabilities of the association at the close of the business on a past day by him specified, which shall, if practicable, be the same day for which similar reports are required from national banking associations within the state by the comptroller of the currency of the United States. Each report must be verified by the oath of the president or the cashier and attested as correct by at least two of the directors, and must be transmitted to the examiner within seven days after receipt of the request for the same, and an abstract of the same in a form prescribed by the board shall be published, at the expense of the association, in some newspaper in the city, town or village where such bank is located, and in case there is no such newspaper, then in any other newspaper in the county in which such association is located. The state banking board shall also call for a special report from any association whenever in their judgment the same is necessary, in order to obtain full and complete knowledge of its condition. Every association which fails to make and transmit any report required in pursuance of this section, shall forfeit and pay to the state a penalty of two hundred dollars for each delinquency. [R. C. 1905, § 4652; 1897, ch. 31; R. C. 1899, § 3242; 1905, ch. 165, § 18.]

See section 5204.

§ 5168. Responsibility of shareholders. The shareholders of every association organized under this chapter shall be individually responsible, equally and ratably, and not one for another, for all contracts, debts and engagements of such association made or entered into to the extent of the amount of his stock therein at the par value thereof, in addition to the amount invested in and due on such shares. Such individual liability shall continue for one year after any transfer or sale of stock by any stockholder or stockholders. [R. C. 1905, § 4653; 1890, ch. 23, § 18; 1893, ch. 27, § 18; R. C. 1899, § 3243; 1905, ch. 165, § 19.]

See section 5204.

Individual liability of stockholder of insolvent bank. Union Nat. Bank v. Halley, 19 S. D. 474, 104 N. W. 213.

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§ 5169. Loans on shares prohibited. No association shall make any loan or discount on the security of the shares of its own stock, nor be the purchaser or holder of any such shares, unless such security or purchase shall be necessary to prevent loss upon a debt previously contracted in good faith, and stock so purchased or acquired shall within six months be sold or disposed of at public or private sale. If such stock is not sold within the period last herein provided, the same shall be cancelled and deducted from the capital stock of said association. [R. C. 1905, § 4654; 1890, ch. 23, § 19; 1893, ch. 27, § 19; R. C. 1899, § 3244; 1905, ch. 165, § 20.]

See section 5204.

§ 5170. Reserve fund. Each association shall at all times have on hand in available funds an amount which, after deducting therefrom the amount due to other banks, shall equal twenty per cent of its total deposits; three-fifths of this amount may consist of balances due to the association from good solvent state or national banks or trust companies, which carry sufficient reserve to entitle them to act as such depositary banks, and are located in such commercial centers as will facilitate the purposes of banking exchanges, and which depositary banks shall have been first approved by the state banking board, and the remaining two-fifths of such reserve shall consist of actual cash on hand; cash items shall not be included in computing reserve, and no association shall carry as cash or cash items, any paper or other matter except legitimate bank exchange, which will be cleared on the same or next succeeding business day. Whenever the available funds, within the meaning of this section, shall be below twenty per cent of its deposits, such association shall not increase its liabilities by making any new loans or discounts other than by discounting or purchasing bills of exchange, payable at sight, nor make any dividend of its profits, until the required proportion between the aggregate amount of the deposits and its lawful money reserve has been restored; and the state banking board must notify any association whose lawful money reserve shall be below the amount required to be kept on hand, to make good such reserve, and if such association shall fail to do so for a period of thirty days after such notice, the state banking board may impose a penalty of not less than one hundred dollars, or more than five hundred dollars, which shall be collected in the same manner as other penalties prescribed in this chapter. [R. C. 1905, § 4655; 1890, ch. 23, § 20; 1893, ch. 27, § 20; R. C. 1899, § 3245; 1905, ch. 165, § 21.]

§ 5171. Penalties, how recovered. All fines and penalties herein provided for, to which any association under this chapter may become subject, shall be recovered on complaint of the state examiner, before any court having competent jurisdiction, and all fines and penalties so established shall be paid into the state treasury. [R. C. 1905, § 4656; 1890, ch. 23, § 21; 1893, ch. 27, § 21; R. C. 1899, § 3246; 1905, ch. 165, § 22.]

See section 5204.

§ 5172. Limit of loan to one concern. The total liability to any association of any person, corporation, company or firm, including in the liabilities of the firm the liabilities of the several members thereof, for money borrowed, and paper of the same parties as makers thereof, purchased, shall not at any time exceed fifteen per cent of the capital and surplus stock of such association actually paid in, but the discount of bills of exchange drawn in good faith against actual existing values, or loans upon produce in transit or actually in store as collateral security; provided, that all paper relating to such transactions be made payable to and such paper and the security therefor, be and remain in the possession and control of such association until the advance or debt be paid, shall not be considered as money borrowed, and such association may discount commercial or business paper actually owned by the person negotiating the same without it being deemed an addition to the loans to said negotiator. [1909, ch. 45; R. C. 1905, § 4657; 1890, ch. 23, § 22; 1893, ch. 27, § 22; R. C. 1899, § 3247; 1905, ch. 165, § 23.]

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§ 5173. Penalty for violations. Any officer of any banking association, savings bank or trust company violating or knowingly permitting to be violated, the provisions of this chapter, not herein specially provided for shall upon conviction thereof pay a fine of not less than fifty dollars nor more than five hundred dollars for each offense, to be recovered before any court having competent jurisdiction, and all fines and penalties so recorded shall be paid into the state treasury. [R. C. 1905, § 4658; 1890, ch. 23, § 23; 1893, ch. 27, § 23; R. C. 1899, § 3248; 1905, ch. 165, § 24.]

See section 5204.

§ 5174. Penalty for false statements or entries. Every officer, agent or clerk of any association organized under this chapter, who willfully and knowingly subscribes or makes any false statements or entries in the books of such association, or knowingly subscribes or exhibits any false paper with intent to deceive any person authorized to examine as to the condition of such association, or willfully subscribes or makes any false report, shall be guilty of forgery as defined in the penal code of the state of North Dakota and punished accordingly. [R. C. 1905, § 4659; 1890, ch. 23, § 24; 1893, ch. 27, § 24; R. C. 1899, § 3249; 1905, ch. 165, § 25.]

See section 5204.

§ 5175. Insolvent bank not to receive deposit. No banking association shall accept or receive on deposit with or without interest any money, bank bills or notes, or United States treasury notes or currency, or other notes, bills or drafts circulating as money or currency, when such banking association is insolvent. [R. C. 1905, § 4660; 1890, ch. 23, § 25; 1893, ch. 27, § 25; R. C. 1899, § 3250; 1905, ch. 165, § 26.]

See section 5204.

Insolvent bank became trustee ex maleficio of money received for draft issued by it when officer knew there was no funds to meet draft. Widman v. Kellogg, 22 N. D. 396, 39 L.R.A.(N.S.) 563, 133 N. W. 1020.

Receiving deposit in bank when insolvent as a fraud. 34 L.R.A. 533.

§ 5176. Penalty for violating last section. If any such banking association shall receive or accept on deposit any such deposits as aforesaid when insolvent, any officer, director, cashier, manager, member, party or managing party thereof, who shall knowingly receive or accept, be accessory or permit or connive at the receiving or accepting on deposit therein or thereby of any such deposits as aforesaid, shall be guilty of a felony, and upon conviction thereof, shall be punished by a fine not exceeding ten thousand dollars or by imprisonment in the penitentiary not exceeding five years, or by both such fine and imprisonment. [R. C. 1905, § 4661; 1890, ch. 23, § 26; 1893, ch. 27, § 26; R. C. 1899, § 3251; 1905, ch. 165, § 27.]

See section 5204.

Liability of directors to depositors for negligence and false statements of solvency. 8 Am. St. Rep. 605.

Liability of officers for failure to close insolvent bank. 3 L.R.A.(N.S.) 438.

Criminal liability for receiving deposit in bank knowing of its insolvency. 31 L.R.A. 124.

When is a bank insolvent within statute making it an offense to receive further deposits. 20 L.R.A.(N.S.) 444.

§ 5177. Banking must be done in compliance with this chapter. Penalty. No person excepting national banking corporations shall transact a banking business nor use the words bank, banking company or banker in any sign, advertisement, letter head or envelope or in any corporate or firm name, without complying with and organizing under the provisions of this chapter. Any person violating the provisions of this section, either individually or as an interested party in any association or corporation, is guilty of a misdemeanor, and on conviction thereof shall be fined not less than five hundred nor more than one thousand dollars, or imprisoned in the county jail not less than ninety days, or both, in the discretion of the court. [R. C. 1905, § 4662; 1890, ch. 23, § 27; 1893, ch. 27, § 27; R. C. 1895, § 3252; 1905, ch. 165, § 28.]

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§ 5178. Forfeiture of franchise. Every association organized under this chapter which shall refuse or neglect to comply with any requirements, lawfully made upon it by the state banking board, or by the state examiner, pursuant to this chapter, for a period of ninety days (or for a lesser period if specified in the order) after demand in writing by such board or examiner is made, shall be deemed to have forfeited its franchise and any failure on the part of such association to comply with, or any violation of any of the provisions of this chapter, shall work a forfeiture of its franchise, and in either case the attorney-general, upon demand of the state banking board, must commence an action for the purpose of annulling the existence of said association. [R. C. 1905, § 4663; 1890, ch. 23, § 28; 1893, ch. 27, § 28; R. C. 1899, § 3253; 1905, ch. 165, § 29.]

See section 5204.

§ 5179. Fees for examination. Every corporation contemplated to be by this act placed under the jurisdiction and control of the state banking board, and made subject to the examination of the state examiner and his deputy examiners, shall if a new corporation, prior to receiving its certificate of authority to commence business, and in all cases within ten days after each examination, pay into the state treasury the following fees or sums, to wit: Those having a paid-up capital stock of less than twenty thousand dollars, fifteen dollars; those having a capital of twenty thousand dollars and less than thirty thousand dollars, twenty dollars; those having a capital of thirty thousand dollars and less than forty thousand dollars, twenty-five dollars; those having a capital of forty thousand dollars and less than fifty thousand dollars, thirty dollars; those having a capital of fifty thousand dollars and less than sixty thousand dollars, thirty-five dollars; those having a capital of sixty thousand dollars and less than seventy-five thousand dollars, forty dollars; those having a capital of seventy-five thousand and not over one hundred thousand dollars, fifty dollars; those having a capital of over one hundred thousand dollars and less than two hundred thousand dollars, one hundred dollars; those having a capital of over two hundred thousand dollars, one hundred twenty-five dollars.

Building and loan associations, mutual improvement corporations, mutual investment corporations and other corporations of a mutual character, having no capital stock or a nominal capital stock, shall pay a semi-annual fee of twenty-five dollars for the first one hundred thousand dollars of assets, and five dollars for each additional one hundred thousand dollars or major fraction thereof of assets.

The treasurer shall report such payments to the banking board, and if any such corporation shall be delinquent more than twenty days in making such payments, the board may make an order suspending its functions until such payment is made, and such order shall be rescinded only upon payment of the amount due and a penalty of five dollars additional for the delay. [1911, ch. 55, § 4; R. C. 1905, § 4664; 1897, ch. 31; R. C. 1899, § 3254; 1901, ch. 94; 1905, ch. 165, § 30.]

See section 5204.

§ 5180. Oath of officers. Every active officer of any bank organized under this chapter shall, before entering upon the duties of his office, take and subscribe an oath that he will so far as the duty devolves on him, diligently and honestly administer the affairs of such association, and that he will not knowingly violate, or willingly permit to be violated any of the provisions of this chapter. All such oaths shall be presented to the board of directors and a synopsis thereof recorded in the directors' record and then filed with the state banking board. [R. C. 1905, § 4665; 1897, ch. 31; R. C. 1899, § 3255; 1905, ch. 165, § 31.]

See section 5204.

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§ 5181. Bonds of officers and employes. All officers and employes of any banking association, savings bank or trust company shall, before entering upon their duties, furnish a good and sufficient bond to the association in such sum and upon such conditions as may be required by the board of directors. All such bonds shall be approved by the board of directors of such association and shall be subject to the approval of the state banking board. A record of the approval of such bonds by the board of directors of such association shall be made on the records of the bank, and then such bonds shall be filed with the state banking board. Stockholders of such banks shall not be eligible as bondsmen for such officers. [R. C. 1905, § 4666; 1897, ch. 31; R. C. 1899, § 3256; 1905, ch. 165, § 32.]

See section 5204.

§ 5182. Examination by directors. Report. It shall be the duty of the board of directors in January and July of each year to make a careful and thorough examination of the assets of the bank, examine stocks, checks, certificates of deposit and cashier's checks, count cash, examine loans and discounts of every nature, with the securities and collaterals belonging thereto, compare the aggregate with the records and make a complete report of such examination in such form as may be designated by the state banking board, with suggestions and criticisms, if in their judgment such are necessary, which report shall be spread on the records of the bank the same as the minutes of a regular meeting of the board of directors, and a duplicate thereof transmitted to the state banking board. [R. C. 1905, § 4667; R. C. 1895, § 3257; 1905, ch. 165, § 83.]

See section 5204.

§ 5183. Action against insolvent banks. The state banking board on being satisfied of the insolvency of any banking association organized under the provisions of this chapter, or of the violation of any of the provisions of this chapter by any such association, after an examination of the same, shall forthwith take charge of such insolvent bank pending the action of the court. For that purpose it is made the duty of the board to appoint a temporary receiver, who shall qualify in such manner as may be directed in the order appointing him. Immediately upon taking charge the receiver shall prepare and submit a statement of the condition of the banking association to the state banking board, who shall thereupon institute an action against the association in accordance with the provisions of chapter 27 of the code of civil procedure. [R. C. 1905, § 4668; 1897, ch. 31; R. C. 1899, § 3258; 1905, ch. 165, § 34.]

See section 5204.

When title to money deposited with or collected by bank does not vest in bank and the right to recover on insolvency. 86 Am. St. Rep. 775.

§ 5184. Overdrafts. Any bank officer or employe who shall pay out the funds of any bank upon the check, order or draft of any individual firm, corporation or association, which has not on deposit with such bank a sum equal to such check, order or draft, shall be personally liable to such bank for the amount so paid. [R. C. 1905, § 4669; 1905, ch. 165, § 35.]

See section 5204.

§ 5185. List of shareholders to be kept and filed. The president and cashier of every bank formed pursuant to the provisions of this chapter, shall at all times keep a true and correct list of the names of all the shareholders of such bank, with the amount of stock held by each, the time of transfer and to whom transferred, and shall file a copy of such list in the office of the county auditor and in the office of the state examiner on the first Monday of January and July in each year. [R. C. 1905, § 4670; 1905, ch. 165, § 36.]

See section 5204.

§ 5186. Impairment of capital. If any portion of the capital of any banking association is reduced without the approval of the state banking board or impaired for any purpose whatever, while any debts of the association

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remain unsatisfied, no dividend or profit on the shares of the capital stock of the association shall thereafter be made until the deficit of the capital is made good, either by subscription of the stockholders or out of the subsequently accruing profits of the association. And, if at any time, it shall appear that the capital stock of any banking association has become impaired, the state banking board must immediately issue and enforce the necessary order restraining the declaring of dividends and requiring the deficit to be made good. [R. C. 1905, § 4671; 1905, ch. 165, § 37.]

See section 5204.

Amended 1915, Ch. 54

§ 5187. Assets not to be used in other business. No bank shall as principal employ its money or other of its assets, directly or indirectly, in trade or commerce, nor employ or invest any of its assets or funds in the stock of any corporation, bank, partnership, firm or association, nor shall it invest any of its assets in speculative margins of stocks, bonds, grain, provisions, produce or other commodities, except that it shall be lawful for banks to make advances for grain or other products in store or in transit to market. [R. C. 1905, § 4672; 1905, ch. 165, § 38.]

See section 5204.

§ 5188. Banks exempt from attachment and execution. Every banking association in this state shall be exempt from the legal process of attachment and execution. But if any bank fails, neglects or refuses to pay any valid final judgment or decree that may be rendered against it by any court of competent jurisdiction, not properly stayed by an appeal bond within the time prescribed by statute or order of court after rendition thereof, the state banking board shall declare such bank insolvent or in failing circumstances and shall forthwith cause a receiver to be appointed to wind up its affairs. [R. C. 1905, § 4673; 1905, ch. 165, § 39.]

See section 5204.

Amended 1915, Ch. 53

§ 5189. Insolvent, when. A bank shall be deemed insolvent:

1. When the actual cash market value of its assets is insufficient to pay its liabilities.
2. When it is unable to meet the demands of its creditors in the usual and customary manner.
3. When it shall fail to make good its reserve as required by law.
4. When it shall fail to comply with any lawful order of the state banking board within any time specified therein. [R. C. 1905, § 4674; 1905, ch. 165, § 40.]

See section 5204.

§ 5190. Secretary to keep bank record. It shall be the duty of the secretary of the state banking board to keep a "bank record" wherein shall be recorded the name and location of each bank in the state, its capitalization and changes thereof, its officers, and its reserve agents, and changes of the same, and in docket form such other proceedings as may have been had relative to the same, by the state banking board, and by the state examiner. [R. C. 1905, § 4675; 1905, ch. 165, § 41.]

See section 5204.

§ 5191. Repeal and saving clause. This chapter repeals all laws repugnant to and inconsistent herewith; provided, that this article shall not affect any offense committed or right accruing prior to July first, 1905, but all such offenses or rights of action shall remain and be prosecuted under the law existing at the time such offense was committed or such right of action accrued. [R. C. 1905, § 4676; 1905, ch. 165, § 42.]

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CHAPTER 29.

LOANS FROM BANKING ASSOCIATIONS.

§ 5192. Certain persons not to borrow. Exceptions conditioned. That no officer or employe of any banking association in this state nor the public examiner, his deputies or any employe of such public examiner's department, shall be permitted to borrow any of the funds of the banking association upon his own note or obligation, whether secured or unsecured, without first obtaining the approval of a majority of the board of directors of said banking association or from a committee selected by a majority of the board of directors, the names of the committee so selected from the directors of said banking association to be recorded in the minutes of the association. All loans approved and obtained under authority of this act shall be made a part of the records of said banking association; provided, further, that if the directors of any incorporated banking association shall knowingly permit any of the officers, directors or employes of such banking association, or the public examiner, his deputies or any employe of the state public examiner's department to borrow any funds from such banking association in excess of that authorized by law or in a dishonest manner or in a manner incurring great risk or loss to such banking association, every director who is directly or indirectly responsible by his acts for any loss to such banking association shall be held liable in his personal and individual capacity for all damage which the corporation or any other person shall have sustained in consequence thereof. [1911, ch. 53.]

CHAPTER 30.

SAVINGS BANKS.

§ 5193. Organization. Any number of persons, not less than five, at least three of whom must be residents of this state, may associate themselves together for the purpose of organizing and operating a savings bank, by complying with the provisions of sections 4636, 4637 and 4638 of the Revised Codes and thereupon shall be vested with the powers provided for in sections 4639 and 4640 of the Revised Codes, subject to such limitations as are in this article provided. [1911, ch. 56, § 1.]

"Sections 4636, 4637 and 4638 of the Revised Codes" mentioned in this section are, respectively, sections 5147, 5148 and 5149 herein. Section 4639 as amended is section 5150 herein. Section 4640 was expressly repealed in Laws 1911, ch. 54, § 5 and again in Laws 1913, ch. 52, § 5, and sections 5151, 5152 herein are manifest substitutes for the repealed section.

§ 5194. Capital stock. The capital of every such savings bank shall be divided into shares of the par value of one hundred dollars ($100) each, and shall not be less than twenty-five thousand dollars ($25,000) in cities, towns or villages having a population of less than five thousand, nor less than fifty thousand dollars ($50,000) in cities having a population of five thousand or more, and the capital stock of every association incorporated hereunder, shall be paid up in full before such corporation shall be authorized to commence business. [1911, ch. 56, § 2.]

§ 5195. Management. Officers. Meetings. The business and property of savings banks incorporated hereunder shall be managed by a board of directors, not less than five, nor more than nine, the majority of whom shall be residents of this state, all of whom shall be share-holders, and no person shall be eligible as director of any savings bank, nor can he qualify to serve as such unless he owns in his own right not less than ten (10) shares of the

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capital stock in such bank. Each director before acting as such, shall take an oath that he will diligently, faithfully and impartially perform the duties imposed upon him by law, that he will not violate or willingly permit to be violated any of its provisions; that he is the owner in his own right of ten (10) shares of the capital stock of such savings bank, and that the same is not hypothecated as security to any loan or debt, which oath shall be filed with and preserved in the office of the public examiner. The directors at their first meeting and as often thereafter as the by-laws require, shall elect from their number a president, whose term shall be indeterminate but at the pleasure of a majority of the board of directors, and one or more vice-presidents, a treasurer, and a secretary of the board of directors for the ensuing year, and shall have authority to appoint a cashier and assistants to other officers and employes as may be required, and which appointees shall hold their office during the pleasure of the board of directors, and shall give such security for the faithful performance of their duties as may be required of them by the by-laws. [1911, ch. 56, § 3.]

§ 5196. Deposits. Savings banks organized hereunder may receive on deposit money equal to twenty times the aggregate amount of its paid up capital and surplus, and no greater amount of deposits shall be received without a corresponding increase in the aggregate paid up capital and surplus. Deposits so received shall be paid to the order of such depositor or his representative, with such interest and under such regulations as the board of directors from time to time prescribe, not inconsistent with the provisions of this chapter, which rules and regulations shall be printed in a pass book furnished the depositor, and also conspicuously exposed in the business office of the bank in some place accessible and visible to all and no alterations which may at any time be made in such rules and regulations affecting the rights of depositors acquired previously thereto in respect to the deposits or interest thereon shall be operative until sixty days after the posting of such alteration; provided, however, that in order to prevent loss to the depositor, by enforced sale of securities before their real value, it shall be lawful for the directors in their discretion, to require notice of one week before the withdrawal of any part of any savings deposits of more than ten dollars ($10) and not exceeding one hundred dollars ($100); of two weeks before the withdrawal of any part of any deposit of more than one hundred dollars ($100) and not exceeding five hundred dollars ($500); of three weeks before the withdrawal of any part of any deposit of more than five hundred dollars ($500) and not exceeding one thousand dollars ($1,000); of thirty days before the withdrawal of any part of any deposit of more than one thousand dollars ($1,000) and not exceeding two thousand dollars ($2,000); of sixty days before the withdrawal of any part of any deposit of more than two thousand dollars ($2,000) and not exceeding three thousand dollars ($3,000), and in case where the deposit has been made on certificate for a definite time and the depositor fails to withdraw the same within thirty days after such definite time, then notice for withdrawal may be required as prescribed above; and provided, further, that the directors of such savings bank may, and by the written consent of, and shall, at the direction of the state banking board, make any changes deemed necessary in regard to the notices heretofore required to be given by the depositor for the withdrawal of their deposits, by extending the time that notice shall be given by any depositor for the withdrawal of all deposits, to any period of time not exceeding six months; and provided, further, that the directors may limit the aggregate amount that any depositor may deposit to such sum as they deem it expedient to receive, and may in their discretion refuse to receive any deposit, and may also, at any time, return all or any part of any deposit and the accrued interest thereon to any depositor without notice. [1911, ch. 56, § 4.]

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§ 5197. Limit of interest. All accounts, upon which no deposits or drafts have been made for the period of six years in succession, and the whereabouts of the depositor be not known to any officer of the savings bank, shall be so far closed that neither the sum deposited nor the interest which shall have accrued thereon shall be entitled to any interest after the expiration of six years from the date of the last deposit or draft. This provision, however, shall not apply to endowments nor to trust estates nor to other cases where special provision is made therefor at the time of the deposit thereof. [1911, ch. 56, § 5.]

Amended 1929, Ch. 88 Amended 1917, Ch. 60

§ 5198. Investment of fund. A savings bank incorporated hereunder shall invest its capital, its deposits, its surplus and its profits only as follows:

First. In bonds of the United States.

Second. In bonds or evidences of debt in this state or in the bonds of other states in the union.

Third. In bonds or warrants of any county in this state, or in the bonds or warrants of any city in this state, or any special improvement district therein, or in the bonds or warrants of any village, township, school district or drainage district in this state, issued pursuant to the authority of law, but not exceeding thirty per cent of the assets of such savings bank shall be invested in such bonds or warrants.

Fourth. In notes or bonds secured by mortgage or deed of trust upon unincumbered real estate in this state, which real estate shall be worth, exclusive of all improvements at least twice the amount loaned thereon, but, in addition thereto, there may be loaned thirty per cent of an appraised value of any buildings on said real estate provided fire insurance policies are maintained and deposited as collateral to such mortgage.

Fifth. In the mortgage bonds of any railroad corporation, incorporated under the laws of any of the United States, provided that during each of the ten fiscal years of such railroad corporation next preceding the date of such investment:

1. Such railroad corporation shall have paid the matured principal and interest of all its mortgage indebtedness.

2. Such railroad shall have paid in dividends in cash to its stockholders, an amount of at least four per cent per annum upon all its outstanding stock of every class.

Sixth. To the extent of sixty per cent of the total demand deposits, in promissory notes due not more than one year from the date of loan, but no such loan shall be made unless the obligation evidencing the same bears the signature or indorsement of at least two persons whose net worth, as shown by sworn statement, is more than ten times the amount of the loan, provided, that where there are pledged securities such as such corporation is by this chapter authorized to invest its funds, there may be loaned an amount not to exceed eighty per cent of the value of such securities, and provided, further, that no such loan shall be made to a person in excess of five per cent of the total demand deposits, and in no event more than fifteen per cent of the capital stock and surplus. [1911, ch. 56, § 6.]

§ 5199. Dividends. No dividend shall be declared or paid to any stockholder save out of the undivided profits on hand after paying or setting apart a sum sufficient for the payment of:

First. All expense for operating the bank.

Second. All interest due and accrued to depositors according to the rate fixed therefor in the by-laws.

Third. The taxes for the current year.

Fourth. Ten per cent of the net profits to the surplus fund until such fund amounts to thirty per cent of the paid-in capital stock. [1911, ch. 56, § 7.]

§ 5200. Deposits by executors, minors, etc. Deposits made by a person as executor, administrator or guardian, or in any other official position, shall be

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payable to him as such official, or if personally made by a minor, shall be paid to him, although he have no guardian, or if he has a guardian, it shall not be necessary to obtain his consent to such payment, but a check, receipt of acquittance, signed by such minor therefor shall be valid and binding. If made by any corporation, association or society, payment shall be made to any person authorized by its board of directors or trustees to receive the same. [1911, ch. 56, § 8.]

§ 5201. Reserve. Each savings bank shall at all times have on hand in available funds an amount which shall equal: (1) Twenty per cent of its total deposits subject to check, or on demand, (2) eight per cent of its total deposits on time certificate, and (3) five per cent of its total savings deposits subject to notice as herein authorized, three-fifths of these amounts may consist of balances due the savings bank from such solvent state or national banks or trust companies as shall have been approved by the state banking board, but the remaining two-fifths of such reserve shall consist of actual cash on hand; cash items shall not be included in computing reserve, and no savings bank shall carry as cash or cash items any paper or other matter except legitimate bank exchange, which shall be cleared on the same or next successive business day. Whenever the available funds within the meaning of this section shall be below the percentage of its deposits stated therein, such savings bank shall not increase its liabilities by taking any new loans or make any dividend of its profits until the required proportion between the aggregate amount of the deposits and its lawful money reserve has been restored, and the said banking board shall notify any bank whose reserve shall be below the amount required, to make good such reserve, and if such savings bank shall fail to do so for a period of thirty days after such notice, the state banking board may impose a penalty of not less than one hundred dollars ($100) nor more than five hundred dollars ($500), which penalty shall be collected in the same manner as other penalties described in this chapter. [1911, ch. 56, § 9.]

§ 5202. Savings deposits, who may take. Penalty. Every corporation organized under the provisions of this chapter shall use the words " savings bank " as a part of its corporate name, and it shall not be the same name as that of any other bank heretofore or hereafter incorporated in this state, and no corporation not organized under the provisions of this chapter shall use the word " savings " as a part of its title, and no corporation, except national banking corporations, state banks and annuity, safe deposit and trust companies organized under the laws of this state, shall receive savings deposits without first complying with and organizing under the provisions of this chapter. Any person violating the provisions of this section shall be guilty of a misdemeanor. [1911, ch. 56, § 10.]

§ 5203. Loans to directors and officers. No savings bank shall make any loan to any of its directors or officers except on security as required herein, and in addition thereto a resolution of the board of directors passed and spread on the records of the corporation. [1911, ch. 56, § 11.]

§ 5204. Other provisions applicable. Except as herein otherwise provided, the following sections of the civil code [R. C. 1950] are hereby made applicable to savings banks under this article, to wit:

Sections 4635 [am'd, 5146 herein], 4642 [5156 herein], 4643 [5158 herein], 4644 [5159 herein], 4645 [5160 herein], 4646 [5161 herein], 4647 [5162 herein], 4651 [5166 herein], 4652 [5167 herein], 4653 [5168 herein], 4654 [5169 herein], 4656 [5171 herein], 4658 [5173 herein], 4659 [5174 herein], 4660 [5175 herein], 4661 [5176 herein], 4663 [5178 herein], 4664 [am'd, 5179 herein], 4665 [5180 herein], 4666 [5181 herein], 4667 [5182 herein], 4668 [5183 herein], 4669 [5184 herein], 4670 [5185 herein], 4671 [5186 herein], 4672 [5187 herein], 4673 [5188 herein], 4674 [5189 herein] and 4675 [5190 herein]. [1911, ch. 56, § 12.]

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CHAPTER 31.

ORGANIZATION AND MANAGEMENT OF ANNUITY, SAFE DEPOSIT AND TRUST COMPANIES.

§ 5205. Formation. Any number of persons, not less than nine, not less than three of whom must be residents of this state, may associate themselves and become incorporated for the purpose of transacting business as an annuity, safe deposit, surety and trust company, upon complying with the provisions of this chapter, and any company so formed, and its successors, shall be entitled to the rights and privileges, and subject to the duties and obligations herein provided, and shall have perpetual succession. The provisions of chapter 12 of the civil code shall be applied to and be observed by persons organizing under this chapter, except as herein otherwise provided, and except as to provisions thereof inconsistent with the provisions of this chapter. [R. C. 1905, § 4677; 1897, ch. 143, §§ 1, 2; R. C. 1899, § 3258a.]

§ 5206. Capital stock. Minimum amount. Shares. The amount of capital stock of any such corporation hereafter organized shall not be less than one hundred thousand dollars, and the same shall be divided into shares of one hundred dollars each. No such corporation hereafter organized shall be authorized to transact any business or exercise any powers as such until the aforesaid minimum amount of capital stock shall have been subscribed for, and not less than fifty thousand dollars thereof shall have been actually paid in, invested and deposited as hereinafter provided. Said fifty thousand dollars shall be invested in bonds of the United States, or of the state of North Dakota, or in the bonds of other states, which shall have the approval of the state auditor, and state examiner, or in the bonds or obligations of townships, school districts, cities, villages and counties within the state of North Dakota, which bonds or obligations have not been issued as a bonus for, or purchase of, or subscription to any railroad or other private enterprise, and whose total bonded indebtedness does not exceed five per centum of the then assessed valuation thereof; or in bonds or promissory notes, secured by first mortgages or deeds of trust, upon unincumbered real estate, situated within the state of North Dakota, worth three times the amount of the obligation so secured, and the deposit of such corporation shall not be permitted, at any time, to be less than fifty thousand dollars in amount, and not less than one-sixth of its capital stock. [R. C. 1905, § 4678; 1897, ch. 143, §§ 3, 4; R. C. 1899, § 3258b.]

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§ 5207. Certificate of deposit. State treasurer's duties. Whenever any such corporation shall have so invested fifty thousand dollars of its paid-in capital, and shall assign, transfer and deliver to the state treasurer the said securities and all evidences of such investment so made, he shall execute and deliver a certificate of such deposit; and thereupon the said corporation may commence and carry on business under the provisions of this chapter. The state treasurer and his successors in office shall hold the said securities so deposited with him as collateral security for the depositors and creditors of said corporation, and for the faithful execution of any trusts which may lawfully be imposed upon or accepted by such corporation; such corporation may from time to time withdraw the said securities from said state treasurer, or any part thereof, upon depositing with him other securities of equal amount and value and of the kinds specified in [section 4668], and until otherwise ordered by a court of competent jurisdiction, the said state treasurer shall pay over to such corporation, the interest dividends which he shall collect upon such securities, and any such corporation having a larger deposit with the state treasurer than fifty thousand dollars shall be allowed at any time to withdraw its deposits in excess of said sum; provided its whole deposit shall

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at no time be less than one-sixth of its capital stock. [R. C. 1905, § 4679; 1897, ch. 142, § 5; R. C. 1899, § 3258c; 1903, ch. 202.]

This section is R. C. 1905, § 4679. The reference to "section 4668," here given in brackets merely for the purpose of calling attention to it, is undoubtedly erroneous. The error was committed by compilers in R. C. 1899, § 3258c, repeated by the legislature in the amendment of that section in Laws 1903, ch. 202, and again by compilers in R. C. 1905, § 4679. The original reference in Laws 1897, ch. 142, § 5, was to "section 4 of this act," which constitutes all of section 5206 herein except the first sentence of the latter. The reference in section 5707 should therefore be "section 5206."

Board of railroad commissioners may inquire into general business conduct and reliability of sureties on bonds given by grain elevator operator. State ex rel. Dakota Trust Co. v. Stutsman, 24 N. D. 68, 139 N. W. 83.

§ 5208. Directors. Qualifications. Terms of office. All the corporate powers of such corporation shall be exercised by a board of directors of not less than nine nor more than fifteen in number, and such officers and agents as they shall elect or appoint. A majority of such directors must be citizens of the state of North Dakota, and each director must own at least ten shares of the capital stock. The articles of association must state the names and residences of the first board of directors, of whom the first named one-third shall serve for a period of three years, the second one-third for a period of two years and the balance thereof shall serve for a period of one year from the date fixed for the commencement of such corporation. In case any of the persons so named shall not become stockholders to the amount required to qualify, or if they fail or refuse to qualify from any cause, the directors who shall qualify may elect qualified stockholders to fill such vacancies, and thereafter, at each annual meeting of the stockholders, directors shall be elected to serve three years in place of those whose terms shall then expire. [R. C. 1905, § 4680; 1897, ch. 143, § 6; R. C. 1899, § 3258d.]

§ 5209. Election of directors. Officers. Bonds. An annual election shall be held at the principal office or place of business of the company, which must be within this state, upon a day to be fixed by the articles of the association, and notice of which election shall be given by publication at least ten days prior to such date, in a newspaper printed and published at the county seat of the county in which such company has its principal place of business, at which the directors provided for in section 5208 shall be elected, and in case of a failure to elect on that day or on a day to which such annual meeting may be adjourned, the directors whose regular terms do not then expire shall proceed to elect such number of directors as shall have failed of election, and any vacancy in the office of director may be filled by the board until the next annual meeting. The board of directors at their next meeting following the election of directors and after such directors have qualified, shall elect from their own number a president and vice-president and such other officers as may be necessary to the transaction of their business. They shall define the powers, authority and duties of such officers and employes by by-laws or resolutions, fix the conditions, form and amount of their bonds, and approve the same, but no such officer or employe shall enter upon the discharge of his duties until such bond shall have been so approved and shall have been filed with the state examiner, and by him approved. [R. C. 1905, § 4681; 1897, ch. 143, § 7; R. C. 1899, § 3258e.]

§ 5210. Corporate powers. Every corporation organized under the provisions of this chapter, and qualified as provided by section 5207, shall have all the general powers and privileges of corporations generally as heretofore or hereafter provided by the general laws of the state of North Dakota, and in addition thereto, and without being required to further qualify under the laws relating to banking and insurance corporations, except as in this chapter provided, shall have special power and authority:

1. To acquire, lease, purchase, own, hold, use and improve, mortgage, lease, sell and convey such real estate and personal property as may be necessary

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for the convenient transaction of its business, and for the use and occupation of its officers, agents and employes, and the safe keeping and investment of its assets, deposits and property held in trust. Any estate or interest in real estate which such corporation shall acquire under and by virtue of the foreclosure of any deed of trust, mortgage, or other security, or by the compromise, compounding or settlement of any obligation or security, or otherwise, in the course of its legitimate business, whether as owner or trustee, it may continue to own, hold, use, occupy, lease, bargain, sell and convey the same as the directors may deem best for the interests of such company, or of the particular estate or trust to which the same belongs; and to that end, it may become a purchaser at any foreclosure sale, or sale under decree or judgment, to which it is a party, as trustee or otherwise. But no part of its capital, accumulations, deposits, trust funds, property or security owned or held by such company, in trust or otherwise, shall be invested in real estate, except as herein authorized, unless the same is done under and by virtue of a particular contract, agreement or instrument, or order, judgment or decree of court, which shall confer a special power or authority so to do, and then only with or to the extent of the moneys or funds thereby provided, and belonging to such particular trust; and for the general transaction of its business, to make and deliver, and in like manner accept and receive all necessary and proper deeds, conveyances, mortgages, leases and other contracts and writings obligatory, and to have and exercise all necessary rights, franchises, muniments, estates, powers and privileges necessary to that end; and such corporation is authorized to loan money and funds and secure such loans by mortgage; and shall have the power to purchase notes, bonds, mortgages and other evidences of indebtedness, and other securities, and to convert the same into cash and into other securities.

2. To take, accept and hold by the order, judgment and decree of any court of record in this state, or of any other state, or of the United States, or by gift, grant, assignment, transfer, devise, legacy or bequest from or with any public or private corporation, or persons whomsoever, any real estate or personal property upon trusts created in accordance with, or which shall not conflict with the laws of this state, or of the United States, and to execute and perform any and all such legal and lawful trusts in regard to the same, upon the terms, conditions, limitations and restrictions, which may be declared, imposed, established by or agreed upon, in or by such order, judgment, decree, gift, grant, assignment, transfer, contract, devise, legacy or bequest. To accept from and execute for, or in behalf of, trusts for minors, and married women, in respect to their separate property, real or personal, and antenuptial settlements, or otherwise, to act for the purposes of transferring, issuing, registering or countersigning the certificates of stocks, bonds, coupons or other evidences of debt of any corporation, association, person, city, town, township, school district, state or other authority, or to receive or to pay out moneys in redemption of the bonds, coupons or other evidences of indebtedness of such public or private corporations or persons.

3. To take, accept and hold on deposit, for savings account or for safe keeping, or in escrow, any and all moneys, bonds, stocks and other securities, or personal property whatsoever, which any state, county, city, town, township or school district officer, or any corporation, public or private, person or persons, shall be authorized, permitted or required by law or otherwise to deposit in a bank or other safe deposit, or to pay into or deposit in any court of record in this state. And when any officer, corporation, public or private, or any executor, administrator, guardian, assignee, receiver, trustee or any person acting in a trust capacity of whatsoever nature, or any individual, shall be authorized, required or permitted by law or otherwise, to pay into or deposit in any court of record in this state any moneys, bonds, instruments in writing, stock or other securities, or personal property whatsoever, the same instead

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thereof may be paid into or deposited with any corporation organized and acting under this chapter, which shall be designated for that purpose by the court having jurisdiction of the subject matter, or by the person, corporation, tribunal or body owning or controlling the same. Whenever any executor, administrator, guardian, assignee, receiver, trustee or any person acting in any trust capacity whatsoever, shall deposit any moneys, bonds, instruments, in writing, stocks or other securities, or any personal property whatsoever, belonging to his trust, with any corporation qualified and acting under this chapter, and shall take a receipt of such corporation therefor, he and his sureties shall thereafter be relieved from all liability therefor until the same shall again be delivered to him by such corporation; provided, that any corporation organized under chapter 31, having a savings department, shall make the same reports and be subject to the same examinations and be under the same restrictions as to their savings department as now provided by law for banks.

4. To act as trustee, assignee or receiver, in all cases where it shall be lawful for any court, officer, corporation or person to appoint a trustee, assignee or receiver, and to be appointed, commissioned and act as administrator of any estate, executor of any last will or testament of any deceased person, or estate of any minor, or of the estate of any lunatic, imbecile, spendthrift, habitual drunkard or other person disqualified to manage an estate. And it shall be lawful for any court in this state, having jurisdiction of the estates or wills of such persons, either within or without this state, to appoint or commission any such corporation organized and acting under, and having qualified with all the provisions of this chapter, as such administrator, executor, guardian, trustee, assignee or receiver in all cases where, under the laws of this state, such court could lawfully so appoint and commission any natural person; and in such cases no bond or other security or oath or other qualification shall be necessary to enable such corporation to accept such appointment and trusts.

5. To accept and receive deposits of money for general savings account, for safe keeping, or for investment, and to provide by its by-laws and regulations for the payment of interest or dividends thereon, for the investment thereof, and conditions for repaying or withdrawing the same, and when any such deposit may have been received from a minor the repayment of same to such minor or his order shall be a complete discharge of such corporation from any further liability therefor. To loan money upon such securities as may be deemed advisable by its board of directors, and to borrow money in like manner upon the security of its own property or credit.

6. To act as attorney in fact for any public or private corporation, or person, in the management or control of real estate or personal property, its sale or conveyance, in the negotiation of and sale of mortgages or other securities, the satisfaction of and discharge of record of mortgages or other securities, the collection of rents, payments of taxes, and generally to act for and represent corporations and persons under powers and letters of attorney, in all respects as a natural person could do.

7. To make, compile and certify to abstracts of title of real estate, upon such conditions and subject to such liability as may now exist or be hereafter created, by or under the laws of this state relating to abstractors, and under such conditions and restrictions as may be prescribed by its by-laws or by resolutions of its board of directors, to insure the validity and genuineness of titles to real property.

8. To insure and guarantee the fidelity and faithful performance of the duties of state, county, township, city, town and school district officers and employes; of the depositaries of public or other funds, and all persons, firms, companies or corporations who may require or are permitted to make, execute or give bonds or undertakings with security, for the faithful performance of any duty, and any court, board of auditors, board of commissioners or

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trustees, or any person or persons who are now or shall hereafter be required to approve the sufficiency of any such bond or undertaking may accept such bond or undertaking and approve the same, when the conditions of such bond or undertaking are guaranteed by a corporation duly organized, qualified and acting under the provisions of this chapter, and all such corporations are vested with full power and authority to guarantee such bonds and undertakings, and the certificate provided for in section 5207 shall, until revoked, be conclusive evidence of the qualification of such corporation, and of its authority to become and be accepted as such surety; provided, that nothing herein contained shall apply to bonds given in criminal actions.

9. Whenever any sum or sums of money, or any real or personal property shall have been received by, deposited with or conveyed to be held by such corporation, for savings or investment account, or in trust under any of the provisions of subdivisions 1, 2, 3, 4 or 5 of this section, such moneys or property and all evidences of the investment of the same, and their accretions, must be kept by such corporation, separate and apart and readily identified from similar property of its own or of other persons, and the same shall not be liable for any debt or claim against said corporation, except for debts or claims accruing to and in favor of the person or persons making such deposits or creating such trusts, or the beneficiaries thereunder. [R. C. 1905, § 4682; 1897, ch. 143, § 8; R. C. 1899, § 3258f; 1903, ch. 195, § 1.]

Foreign corporation is incompetent to receive letters of administration upon estate of deceased person. Grunow v. Simonitsch, 21 N. D. 277, 130 N. W. 835.

Legal powers and privileges of surety and trust companies. 48 L.R.A. 587.

8. Board of railroad commissioners may inquire into general business conduct and reliability of sureties on bonds given by grain elevator operator. State ex rel. Dakota Trust Co. v. Stutsman, 24 N. D. 68, 139 N. W. 83.

Character of and rules governing contracts by corporations engaged for profit in business of guaranteeing fidelity or contracts of other persons. 33 L.R.A.(N.S.) 513.

§ 5211. Discretionary powers. The directors of any such corporation shall have discretionary power to invest all moneys received by it on deposit or in trust, and the investment or deposit of which shall not be otherwise limited or directed, in such securities as are not hereinafter expressly prohibited and it shall be held responsible to the owners or cestui que trust of such moneys, for the validity, regularity, quality, value and genuineness of all such investments and securities at the time said investments are so made, and for the safe keeping of the evidences and securities thereof. But if any special direction, limitation, agreement or trust is imposed upon, made or conferred in and by the order, judgment, decree, will or other document, contract, deed, conveyance or other written instrument, as to the particular manner in which or the particular class or kinds of securities, funds or property, whether real or personal, the same shall be invested in, then the said corporation shall follow and carry out such order, judgment, decree, contract, deed or written instrument or instruction, and in case of such special direction or limitation, such corporation shall not be held liable or responsible for any loss, damage or injury which may occur to or be incurred by any person or cestui que trust by reason of its proper performance of such trust as aforesaid. [R. C. 1905, § 4683; 1897, ch. 143, § 8; R. C. 1899, § 3258g.]

§ 5212. Power to accept trusts. It shall be lawful for any such corporation organized, qualified and acting under the provisions of this chapter, to become the assignee under any assignment for the benefit of creditors, or to act as receiver, or to accept any other trust which it is authorized to accept under this chapter, whether conferred by any person, corporation or court, without giving any bond or other security which would be otherwise necessary under the laws of this state, to enable a natural person to execute such trust. It shall be lawful for any such trust company to become the sole surety upon any bond or undertaking for or on behalf of any person, persons or corporation, in any suit, action or special proceeding, in any court in this state, where

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bond or undertaking shall be necessary under the laws of this state, or in any other matter, municipal or otherwise, where a bond or undertaking shall be required, without any other bondsman or surety, and without justification or qualification. In case where a bond or new sureties to a bond may be required by a judge of any court of this state, or by the provisions of any statute of this state, from any person, persons or corporation, acting in any trust capacity whatever, if the value of the estate or fund is so great that the judge of the court having jurisdiction of the proceedings deems it inexpedient to require security in the full amount prescribed by law, he may direct that any securities for the payment of moneys belonging to the estate or fund be deposited, subject to the order of such person acting in such trust capacity, countersigned by a judge of said court, with any trust company organized and qualified to do business under the provisions of this chapter. After such deposit has been made, said judge may fix the amount of the bond, with respect to the value of the remainder only of such estate or fund. [R. C. 1905, § 4684; 1897, ch. 143, § 8; R. C. 1899, § 3258h.]

§ 5213. When bond not required. Any such corporation, organized and incorporated under the provisions of this chapter, having made the deposit and received the certificate of the state auditor as provided in section 5206, which shall hereafter be appointed to execute any trust, or to act as herein authorized in any capacity, by any court, or by any public or private corporation, or by any person, and which shall accept and enter upon the duties of any such trust, shall thereafter be fully qualified to fully discharge and perform such trust, without entering into or giving any sale bond, replevin bond, attachment bond, injunction or appeal bond, or other bond, undertaking, or security whatsoever, which a natural person would be required to furnish or enter into, in the progress of the execution of any trust, or in any suit, action or special proceeding, during the performance of any such trust, in any court in this state. [R. C. 1905, § 4685; 1897, ch. 143, § 8; R. C. 1899, § 3258i.]

§ 5214. Transfer of trust. Any executor, administrator, guardian, trustee, assignee or receiver, now or hereafter to be appointed, may resign his trust in favor of a corporation organized, acting and qualified under this chapter, and thereupon such corporation may be appointed, by any court having jurisdiction of the subject matter of such trust, upon such terms and conditions as such court may prescribe. [R. C. 1905, § 4686; 1897, ch. 143, § 8; R. C. 1899, § 3258j.]

§ 5215. Compensation. For the faithful performance of any trust, duty, obligation or service so imposed upon, conferred or accepted by any such corporation, it shall be entitled to ask, demand and receive such reasonable compensation therefor as the same shall be worth, or such compensation as may have been or may be fixed by the contract or agreement of the parties, as well as any and all advances necessarily paid out and expended in the discharge and performance thereof, and to charge legal interest upon such advances unless otherwise agreed upon, and any compensation or commission paid, or agreed to be paid, for the negotiation of any loan, or the execution of any trust by any such company shall not be deemed interest within the meaning of the laws of this state. Nor shall any excess thereof, over any rate of interest permitted by law, be decreed or held in any court of law or equity to be usury; and such company shall have a lien upon all moneys, securities and all property of every description which may come into its possession while in the performance of such trust for the payment of all sums due or to become due to it for services, expenses and advances, and the costs and expenses of enforcing such payment. [R. C. 1905, § 4687; 1897, ch. 143, § 8; R. C. 1899, § 3258k.]

§ 5216. Investment of trust funds. Any sum of money not less than one hundred dollars, which shall be collected or received by any such corporation in its trust capacity, and which money shall not be required for the purpose of

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such trust, or is not to be accounted for within one year from the date of such collection, receipt or deposit, shall be invested by such corporation, as soon as practicable, and in such securities as are mentioned in section 5206, and the net interest and profits of such investments, less the reasonable charges and disbursements of said company in the premises, shall be accounted for and paid over as a part of such trust; and the net accumulations of such interest and profits thereon shall likewise be invested and reinvested as a part of such principal; and such investments shall be received and allowed in the settlement of such trust. [R. C. 1905, § 4688; 1897, ch. 143, § 9; R. C. 1899, § 3258l.]

§ 5217. Prohibited dealings. Indebtedness of agents. Such corporation shall not loan its funds, moneys, capital, trust funds or other property whatsoever to any director, officer, agent or other employe thereof, nor shall any such director, officer, agent or other employe become in any manner indebted to said company by means of any overdraft, promissory note, account, indorsement, guaranty or other contract whatsoever unless such indebtedness shall have been first approved or authorized by the board of directors, or an investment committee created by it, and such approval entered in the minutes of the proceedings of such board or committee, and any such director, agent or employe who shall become so indebted to said company, contrary to the provisions hereof, shall be deemed guilty of the crime of embezzlement to the amount of such indebtedness, from the time such indebtedness shall be created, and upon conviction thereof shall be punished in the manner prescribed by the laws of this state for embezzlement of like amount. The execution and delivery of the official bond of such officer, agent or employe, or his indorsement of commercial paper, however, shall not be considered as an indebtedness for the purpose of this section. [R. C. 1905, § 4689; 1897, ch. 143, § 10; R. C. 1899, § 3258m; 1903, ch. 195, § 2.]

§ 5218. Powers of court. Annual report. Any such corporation shall be subject at all times to the further orders, judgments and decrees of any court of record from which or under which it shall have accepted any trust, appointment or commission as to such trust, and shall render to such court such itemized and verified accounts, statements and reports as may be required by law, or as such courts shall order in relation to such particular trust. It shall also be subject to the general jurisdiction of the district court of the county in which its principal place of business is located. It shall render to the state examiner a full and detailed verified account of its condition, on the first day of June in each year, and such further accounts, either total or partial, or in relation to any particular investments, trusts, funds or other business as the said state examiner may from time to time direct and request, and a condensed statement of such annual report, approved by the state examiner, shall be published by the said corporation in a public newspaper, printed and published in the county in which its principal place of business is located, and if none, then in such newspaper as the state examiner shall direct. [R. C. 1905, § 4690; 1897, ch. 143, § 11; R. C. 1899, § 3258n.]

§ 5219. Capital. Increase of capital stock. Increase of deposit. Reinsurance. Every such corporation, organized under the provisions of this chapter, shall have the full amount of its subscribed capital stock paid in within two years after commencement of business, and such payment may be made in such installments as may be prescribed in its by-laws, or by resolution of its board of directors, and such capital stock may be increased from time to time by a majority vote of all the stockholders of such corporation, voting at any regularly called general or special election, in the notice of which election, the object thereof is fully set out, but no such increase of capital stock shall be valid unless paid in in cash, and certified to the state auditor in writing, and under oath by the president or secretary, or managing officer of

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such corporation. Whenever it shall appear to the satisfaction of the state examiner, from an examination of the business of such company, that the deposit made by it with the state auditor, as hereinbefore provided, is insufficient to insure the safety of its deposits, trust and contingent liabilities, and he shall make an order, as hereinafter provided, requiring an increase of such deposit, then such company may deposit with the state auditor, other and further securities of the kind, class and value designated in section 5206, in an amount sufficient to comply with said order. [R. C. 1905, § 4691; 1897, ch. 143, § 13; R. C. 1899, § 3258o.]

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§ 5220. Duty of public examiner. It shall be the duty of the public examiner, once in every six months, or oftener if required by the written, verified information filed with him by any person interested in any trust with which such corporation may be charged, and without notice to the officers of such company, to make a full, true, complete and accurate examination and investigation of the affairs of such corporation and to assume and exercise over such corporation, its business, officers, directors and employes, all the power and authority conferred upon him over banking and other financial or moneyed corporations. If it shall appear to the state examiner from any examination made by him that said corporation has committed a violation of the law or that it is conducting business in an unsafe or unauthorized manner, or that the deposit made by it with the state auditor as hereinbefore provided, is insufficient to protect the interests of all concerned, then the state examiner shall, by an order under his hand and the seal of his office, and addressed to such corporation, direct the discontinuance of such illegal or unsafe practice, and to conform with the requirements of the law, or to make a further deposit with the state auditor in an amount sufficient to insure the safety of its trusts, deposits and liabilities. And whenever such corporation shall refuse to comply with any such order as aforesaid, or whenever it shall appear to the said state examiner that it is unsafe or inexpedient for any such corporation to continue to transact business, he shall communicate the facts to the attorney-general, and thereupon he shall be authorized to institute such proceedings against any such corporation, as is now, or may hereafter be provided by law, in case of insolvent corporations or such other proceedings as the case may require. [R. C. 1905, § 4692; 1897, ch. 143, §§ 12, 14; R. C. 1899, § 3258p; 1903, ch. 195, § 3.]

CHAPTER 32.

SUPERVISION OF INVESTMENT COMPANIES.

§ 5221. Domestic and foreign investment companies defined. Every corporation, every copartnership or company and every association (other than state and national banks, savings banks, trust companies, real estate mortgage companies dealing exclusively in real estate mortgage notes, and corporations not organized for profit), organized or which shall be organized in this state, whether incorporated or unincorporated, which shall sell or negotiate for the sale of any stocks or investment bonds or investment certificates of any corporation, foreign or domestic, other than bonds of the United States, the state of North Dakota, or of some municipality of the state of North Dakota, to any person or persons in the state of North Dakota, other than those specifically exempted herein, shall be known for the purpose of this chapter as a domestic investment company. Every such investment company organized in any other state, territory or government, or organized under the laws of any other state, territory or government, shall be known for the purpose of this chapter as a foreign investment company. [1913, ch. 109, § 1.]

§ 5222. What documents to be filed with secretary of state. Before offering or attempting to sell any stocks or investment bonds or investment certificates

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COMPILED LAWS OF NORTH DAKOTA - 1913

Civil Code -

S. 6072 - Legal rate seven per cent. Interest for any legal indebtedness shall be at the rate of seven per cent per annum, unless a different rate is contracted for in writing and all contracts shall bear the same rate of interest after they become due as before, unless it clearly appears thereform that such was not the intention of the parties.

S. 6073. Usury defined. No person, firm, company or corporation shall directly or indirectly take, or receive, or agree to take or receive in money, goods or things in action or in any other way any greater sum or any greater value for the loan or forbearance of money, goods or things in action than twelve per cent per annum; and in the computation of interest the same shall not be compounded. Any violation of this section shall be deemed usury; provided, that any contract to pay interest not usurious on interest overdue shall not be demmed usury.

amended 1915, Ch. 176, S-6072; S-6073.

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SESSION LAWS - NORTH DAKOTA - 1915

Chapter 176. An Act to Amend and reenact Sections 6072 and 6073 of the Compiled Laws of North Dakota for the Year 1913, relating to legal rate of interest and usury.

S. 6072. Legal rate of interest six per cent. Interest for any legal indebtedness shall be at the rate of six (6) per cent, per annum unless a different rate is contracted for in writing, and all contracts shall bear the same rate of interest after they become due as before, unless it clearly appears therefrom that such was not the intention of the parties.

S. 6073. Usury defined. No person, firm, company or corporation shall directly or indirectly take or receive, or agree to take or receive, in money, goods or things in action, or in any other way, any greater sum or any greater value for the loan or forbearance of money, goods, or things in action than ten (10) per cent per annum; and in the computation of interest the same shall not be compounded. Any violation of this Section shall be deemed usury; provided, that any contract to pay interest not usurious on interest overdue shall not be deemed usury.

Approved January 25, 1915.

Amended 1925, Ch. 155, S-6072, S-6073.

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defendant has no means, and is unable to employ counsel, the court shall appoint and assign counsel for his defense and allow and direct to be paid by the county in which such trial is had, a reasonable and just compensation to the attorney so assigned for such services as he may render; *provided,* however, that such attorney shall not be paid a sum to exceed fifteen dollars per day in any one case.

Approved, February 4, 1915.

BANKS AND BANKING

CHAPTER 52.

[H. B. No. 108—Ployhar.]

DRAWING OF A BANK CHECK, WITHOUT FUNDS, A MISDEMEANOR.

AN ACT Making the Drawing of a Bank Check without Funds in the Bank to Protect the Same, a Misdemeanor; Prescribing the Penalty Therefor.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Every person, firm, company, co-partnership or corporation who makes or draws or utters or delivers to any person any check or draft upon a bank, banker or depositary for the payment of money, and at the time of such making, drawing, uttering or delivery, has not sufficient funds in or credit with such bank, banker or depositary to meet such check or draft in full upon its presentation, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punishable by a fine of not to exceed $100 or by imprisonment in the county jail for not to exceed 30 days, or by both such fine and imprisonment.

§ 2. The word "credit" as used herein shall be construed to be an arrangement or understanding with the bank, banker or depositary for the payment of such check or draft.

§ 3. EMERGENCY.] Whereas, an emergency exists in the fact that there is no adequate provision under the laws of North Dakota for protection against those who issue checks without having funds or without having a reasonable expectation of having funds in the bank when the checks shall be presented for payment, this Act shall take effect and be in force from and after its passage and approval.

Approved, February 10, 1915.

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CHAPTER 53.

[H. B. No. 344—McClintock.]

RECEIVER OF INSOLVENT BANKS REPORT TO STATE EXAMINER.

AN ACT to Amend Section 5189 of the Compiled Laws of North Dakota for the Year 1913, Relating to Insolvency of Banks and the Liquidation of the Same by the State Examiner.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 5189 of the Compiled Laws of North Dakota for the year 1913 is hereby amended to read as follows:

§ 5189. INSOLVENT. WHEN.] A bank shall be deemed insolvent: I, when the actual cash market value of its assets is insufficient to pay its liabilities; II, when it is unable to meet the demands of its creditors in the usual and customary manner; III, when it shall fail to make good its reserve as required by law; IV, when it shall fail to comply with any lawful order of the State Banking Board within any time specified therein; but its property shall not be subject to attachment or levy, nor shall a receiver be appointed during such reasonable time as the State Examiner may require for examination. After such examination if the State Examiner shall deem best he shall with the approval of the State Banking Board appoint a receiver who shall take possession, under the direction of the State Examiner, of books, records, and other property, collect the debts, sell or compound bad or doubtful ones, and sell all corporate property on such terms as the State Examiner shall direct, and when necessary pay corporate debts and enforce the individual liability of stockholders. He shall pay over all moneys received by him and make report of his doings to the Examiner at such times and in such manner as he may prescribe. Whenever, after report by such officers and before the appointment of a receiver, said Examiner shall find the bank in such condition that all creditors aside from stockholders can be paid in full from its assets, he may relinquish possession of its property to its proper officers; *provided*, however, that the bank shall pay into the State Treasury a fee of ten dollars per day and the hotel and traveling expenses of the State Examiner or Deputy State Examiner, who shall have been in charge of the bank during this period, and such bank may, with the consent of the State Examiner, resume business upon such conditions as may be approved by him. Upon taking possession of the property and business of such bank the State Examiner is authorized to collect moneys due to such bank and to do such other acts as are necessary to conserve its assets and business, and shall proceed to liquidate the affairs thereof.

Approved, March 10, 1915.

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CHAPTER 54.

[H. B. No. 133—McClintock.]

TO PERMIT STATE BANKS TO JOIN FEDERAL RESERVE ASSOCIATION.

AN ACT to Amend and Re-enact Section 4672 of the Revised Code of 1905, being Section 5187 of the Compiled Laws of 1913.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 4672 of the Revised Code of 1905, being Section 5187 of the Compiled Laws of 1913, be amended to read as follows:

§ 5187. ASSETS NOT TO BE USED IN OTHER BUSINESS.] No bank shall as principal employ its money or other of its assets, directly or indirectly, in trade or commerce, nor employ or invest any of its assets or funds in the stock of any corporation, bank, partnership, firm or association, nor shall it invest any of its assets in speculative margins of stocks, bonds, grain, provisions, produce or other commodities, except that it shall be lawful for banks to make advances for grain or other products in store or in transit to market; *provided*, nevertheless, that this Act shall not be construed as in any way preventing a bank from investing such part of its funds in stock of the Federal Reserve Bank of this district as may be necessary to become a member of the Federal Reserve Association and from carrying such stock among its assets.

§ 2. EMERGENCY.] Whereas, an emergency exists in that the present law denies the banks of this state the right to join such association, this Act shall take effect and be in force from and after its passage and approval.

Approved, February 10, 1915.

CHAPTER 55.

[H. B. No. 501—Lathrop Committee.]

FEES FOR EXAMINATION OF CORPORATIONS.

AN ACT to Amend Section 5179 of the Compiled Laws of North Dakota for the Year 1913 Relating to the Department of the State Examiner.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

Amended 1921, ch. 22

§ 1. AMENDMENT.] That Section 5179 of the Compiled Laws of North Dakota for the year 1913 is hereby amended to read as follows:

§ 5179. FEES FOR EXAMINATION.] Every corporation contemplated to be, by this Act, placed under the jurisdiction and control of the State Banking Board, and made subject to the examination of the State Examiner and his Deputy Examiners, shall if a new

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corporation, prior to receiving its certificate of authority to commence business, and in all cases within ten days after each examination, pay into the state treasury the following fees, to-wit: A fee of ten dollars in addition to a charge of one and one-half hundredths of one per cent. of the gross amount of the assets of said bank on the day of examination.

Building and loan associations, mutual improvement corporations, mutual investment corporations, and other corporations of a mutual character, having no capital stock, or a nominal capital stock, shall pay a semi-annual fee of twenty-five dollars for the first one hundred thousand dollars of assets, and five dollars for each additional one hundred thousand dollars or major fraction thereof of assets.

The Treasurer shall report such payments to the Banking Board, and if any such corporation shall be delinquent more than twenty days in making such payments, the board may make an order suspending its functions until such payment is made, and such order shall be rescinded only upon payment of the amount due and a penalty of five dollars additional for the delay.

§ 2. EMERGENCY.] An emergency is hereby declared to exist and this Act shall take effect and be in force immediately after its passage and approval.

Approved, March 5, 1915.

CHAPTER 56.

[H. B. No. 221—Converse.]

INCREASING CAPITAL STOCK OF BANKS TO $15,000.00 BEFORE ORGANIZATION.

AN ACT to Amend and Re-enact Section 5155 of the Compiled Laws of North Dakota, 1913, Relating to Capital Stock of State Banks.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Section 5155 of the Compiled Laws of North Dakota, 1913, is hereby amended to read as follows:

§ 5155. CAPITAL STOCK.] Hereafter no banking association shall be organized under this Chapter with a capital stock of less than fifteen thousand dollars, nor in towns or cities of over one thousand inhabitants with a capital stock of less than twenty thousand dollars; nor, in cities of over two thousand inhabitants, with a capital stock of less than thirty thousand dollars; nor, in cities of over three thousand inhabitants, with a capital stock of less than thirty-five thousand dollars; nor, in cities of over four thousand inhabitants, with a capital stock of less than forty thousand dollars; nor, in cities of over five thousand inhabitants, with a capital stock of less than fifty thousand dollars. All of the capital stock of every

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such association shall be paid in before it shall be authorized to commence business, and evidence of such payment of capital stock either in actual money or a deposit in a previously approved correspondent bank must be furnished to the State Examiner or Deputy Examiner before the certificate of authority may be delivered. For the purposes of this Section, the population of the city may be determined by using the population shown by the most recent state or national census. No association having been organized to transact business in any city, and which may have sold or converted its business to a national bank, or other banking business which is continued at the same place, shall be allowed to remove its charter or its articles of incorporation to, and recommence business at another place; but where it can be clearly shown that a banking association which has not changed, sold or converted its business as hereinbefore recited, is located at a place where there is not sufficient business for the profitable conduct of a bank, such association may apply to the Banking Board for authority to remove its business to some other place within the state and to change its name if desired; and upon the approval of such application by the State Banking Board and the proper amendment of the articles of incorporation, the board may issue authority for such removal and change; *provided*, that no such association shall be allowed to remove its business to any city without having the full amount of capital stock required by this Chapter for a new organization in such city. The corporate existence of any bank or corporation heretofore organized with a capital of less than fifteen thousand dollars shall not be renewed unless such corporation seeking to renew its existence shall increase its capital to the amount required by this Act for the organization of a new banking corporation in the city where such bank is located at the time of such renewal. When any association whose capital is less than twenty thousand dollars, applies for a renewal of its corporate existence, it shall, before being permitted to continue its corporate existence, furnish satisfactory evidence through the State Banking Board that its articles of incorporation have been properly amended and the full amount of the increased capital has been actually paid in cash; *provided*, that such association in renewing its existence, may, with the consent and approval of the State Banking Board, convert its then accumulated surplus and undivided profits into capital, to be apportioned among the shareholders entitled thereto.

Approved, February 23, 1915.

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CHAPTER 57.

[S. B. No. 9—Loftsgaard.]

PENALTY FOR FALSE STATEMENTS BY BANKS.

AN ACT Amending Section 5174 of the Compiled Laws of 1913 Prescribing Penalties for Making False Statements or Entries as to the Condition of Banking Associations.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 5174 of the Compiled Laws of 1913 is hereby amended to read as follows:

§ 5174. PENALTIES FOR FALSE STATEMENTS OR ENTRIES.] Every officer, agent or clerk of any association organized under this Chapter, who willfully and knowingly subscribes or makes any false statements or entries in the books of such association, or knowingly subscribes or exhibits any false paper with intent to deceive any person authorized to examine as to the condition of such association, or willfully subscribes or makes false reports, shall be punished by imprisonment in the state penitentiary not less than one nor exceeding ten years, or in the county jail not exceeding one year, or by a fine not exceeding ten thousand dollars, or by both such fine and imprisonment.

§ 2. REPEAL.] All Acts or parts of Acts in conflict with this Act are hereby repealed.

§ 3. EMERGENCY CLAUSE.] Whereas, doubt exists as to the meaning of the provision contained in said Section 5174 designating the penalty and therefore an emergency exists, for that reason this Act shall take effect and be in force from and after the date of its passage and approval.

Approved, January 20, 1915.

CHAPTER 58.

[H. B. No. 166—Burgett.]

REDUCING LEGAL RESERVE FUND OF BANKS.

AN ACT to Amend Section 5170 of the Compiled Laws of North Dakota for the Year 1913 (Section 4655 of the Revised Codes 1905), Relating to the Legal Reserve Fund of Banking Corporations.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 5170 of the Compiled Laws of North Dakota for the year 1913, being Section 4655 of the Revised Codes of 1905, is hereby amended to read as follows:

§ 5170. RESERVE FUND.] Each association shall at all times have on hand in available funds an amount which after deducting therefrom the amount due to other banks, shall equal 20 per cent.

Amended 1919, Ch. 23

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of its demand deposits and 10 per cent. of its time deposits; three-fifths of this amount may consist of balances due to the association from good solvent state or national banks or trust companies, which carry sufficient reserve to entitle them to act as such depositary banks, and are located in such commercial centers as will facilitate the purposes of banking exchanges, and which depositary bank shall have been first approved by the State Banking Board, and the remaining two-fifths of such reserve shall consist of actual cash on hand; cash items shall not be included in computing reserve, and no association shall carry as cash or cash items, any paper or other matter except legitimate bank exchange, which will be cleared on the same or next succeeding business day. Whenever the available funds, within the meaning of this Section, shall be below twenty per cent. of its demand deposits and ten per cent. of its time deposits, such association shall not increase its liabilities by making any new loans or discounts other than by discounting or purchasing bills of exchange, payable at sight, nor make any dividend of its profits, until the required proportion between the aggregate amount of the deposits and its lawful money reserve has been restored; and the State Banking Board must notify any association whose lawful money reserve shall be below the amount required to be kept on hand, to make good such reserve, and if such association shall fail to do so for a period of thirty days after such notice, the State Banking Board may impose a penalty of not less than one hundred dollars or more than five hundred dollars, which shall be collected in the same manner as other penalties prescribed in this Chapter.

§ 2. EMERGENCY.] Whereas, an emergency exists in that the legal reserve of banking corporations is now unnecessarily large, therefore this Act shall take effect and be in force from and after its passage and approval.

Approved, February 13, 1915.

CHAPTER 59.

[H. B. No. 106—Hoghaug.]

DEPOSITARIES FOR STATE SINKING FUNDS.

AN ACT to Amend Section 370 of the Compiled Laws of North Dakota for 1913, Relating to State Depositaries.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 370 of the Compiled Laws of North Dakota for 1913, relating to state depositaries, is hereby amended to read as follows:

§ 370. STATE DEPOSITARIES.] All funds of the state shall be deposited by the Treasurer in one or more designated state or national banks in the State of North Dakota on or before the first day

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GLANDERED ANIMALS

CHAPTER 125.

[S. B. No. 108—Drown.]

APPRAISEMENT OF GLANDERED ANIMALS KILLED.

An Act to Amend and Re-enact Section 2728 of the Compiled Laws of North Dakota for the year 1913 Relating to the Appraisement of Animals Killed or Destroyed According to Law for Being Affected with the Disease Known as Glanders.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 2728 of the Compiled Laws of North Dakota for the year 1913 is hereby amended and re-enacted so as to read as follows:

§ 2728. MAXIMUM VALUATION.] In making the appraisement the value put upon the animal or animals shall be the amount that such animal or animals would be worth had they not been affected with glanders; provided, however, that in no case shall the appraised value of any one animal exceed $150.00 to be paid by the state as hereinafter provided.

Approved March 8, 1917.

GUARANTY FUND

amended 1919, Ch. 110

CHAPTER 126.

[S. B. No. 217—Drown.]

DEPOSITORS' GUARANTY FUND.

See 1923, Ch. 43 S-1

An Act Entitled an Act Providing for the Establishment of a Depositors' Guaranty fund to guarantee payment of General Deposits, and the Establishment of a Commission to Supervise and Control such Fund, and Providing for the Liquidation of Insolvent Banks.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. DEPOSITORS' GUARANTY FUND COMMISSION. ESTABLISHED. COMPENSATION. EXPENSES.] There is hereby established a Depositors' Guaranty Fund Commission of the State of North Dakota to be composed of five (5) members, viz.: the governor of the State of North Dakota, the State Examiner and three members to be appointed by the Governor of the State, from a list of nine men, to be selected by the banks directly affected by the provisions of this act, said banks to be members of the corporation

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known as the North Dakota Bankers' association. All succeeding appointments to membership of said commission, whether to fill a vacancy or otherwise, shall be made by the Governor of the State of North Dakota from a list of nine men furnished by the banks directly affected by the provisions of this act. All members of this commission shall be residents of the State of North Dakota and all members except the Governor and the State Examiner shall have had at least five years' experience in the management of some bank or banks located within the State of North Dakota. One of such members shall be appointed for a term of one year, one for a term of two years and one for a period of three years, and each succeeding appointment except to fill a vacancy caused by death, resignation or removal of a member shall be for a period of three years. The Governor shall be the chairman of said board and the attorney-general shall be ex-officio the attorney for the board and the State Examiner shall be its secretary. The Commission at its first meeting shall select one of its members as treasurer. The members of the Commission other than the Governor and the State Examiner shall receive for their services five ($5.00) dollars per day for the time actually served and their actual expenses incurred in the performance of their duties, the same to be paid out of the general fund of the state. Said commission shall have the supervision and control of the Depositors' Guaranty Fund and shall have the power to adopt all necessary rules and regulations, not inconsistent with law, for the management and administration of said fund.

§ 2. Commissioners. Qualifications. Bonds. Oaths and Filing Thereof.] Within fifteen (15) days from the date of the passage and approval and taking effect of this Act the members of the Depositors' Guaranty Fund Commission, other than the Governor and State Examiner, shall take and subscribe the oath of office prescribed by the Constitution, and shall take oath to keep secret all the facts and information obtained in the performance of their duties in like manner as is provided for the State Examiner in the State Banking laws, and subject to like penalties, and each shall give the State of North Dakota a surety company bond in the amount of ten thousand ($10,000) dollars, except such Commissioner as shall be elected treasurer of the Depositors' Guaranty Fund Commission, who shall give a bond in the amount of twenty-five thousand ($25,000) dollars, and in all cases when bonds are required from the members of the Depositors' Guaranty Fund Commission for the faithful performance of their respective duties the premium thereon shall be paid by the State Treasurer from the general fund of the state. All such bonds shall be subject to the approval of the Attorney General as to form and to the Governor as to sufficiency, and together with the oath of office of each of said Commissioners shall be filed with the Secretary of State.

§ 3. Depositors' Guaranty Fund Commission. Regular Meetings. Dates Fixed. Special Meetings. How Called. Where Held.] The Depositors' Guaranty Fund Commission

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created by the provisions of this Act shall hold at least four meetings during each calendar year at stated intervals as follows, to-wit: On the second Tuesday in January, April, July and October, provided that other meetings of the Commission may be convened upon written request by any two members of the Commission served upon the chairman of such Commission, who shall upon receipt of such request give notice to the Secretary of the date when a meeting shall be held in accordance with such request, and the Secretary shall in turn give notice thereof to all members of the Commission of the date of such meetings so to be held, as hereinafter provided; and provided further, that whenever a condition exists affecting the general banking business within the state, or when there is sufficient matter in the office of the Secretary entitled to receive consideration and disposition by the Depositors' Guaranty Fund Commission, as contemplated herein, or when in the opinion of the Secretary it is advisable to convene such Commission for counsel and direction on contingencies that may arise that would tend to prevent best results from being obtained hereunder as contemplated herein, it shall be within his power to convene the Commission and to that end forthwith give notice of the date of such meeting to all members of the Commission. All meetings of the Depositors' Guaranty Fund Commission shall be held in the office of the State Examiner.

§ 4. Depositors' Guaranty Fund Commission. Specific Duties.] It shall be the specific duty of the Depositors' Guaranty Fund Commission to pass upon the qualifications of each and every bank for admission under the depositors' guaranty fund and their actions shall be final, both as to immediate admission or what shall be further required of any bank in order to place it in a condition satisfactory to the Commission so that it may be admitted later. When the condition of any bank heretofore admitted under the Depositors' Guaranty Fund becomes such as to cause the State Examiner to doubt the advisability of permitting it to continue in business, it shall be within his power to require the advice and opinion of the Commission and for that purpose a meeting of the Commission may be called.

Any regular or called meeting of the Depositors' Guaranty Fund Commission as herein provided, at which there is not a full attendance of the membership, it shall be optional with a quorum whether or not any business shall be transacted, and such quorum may adjourn from time to time until such time as there shall be a full attendance.

§ 5. Guaranty Fund. Assessment.] For the purpose of providing a Depositors' Guaranty Fund for the protection of depositors in banks, every bank engaged in the business of banking under the laws of this state, shall be subject to assessment to be levied, kept, collected and applied as hereinafter provided.

§ 6. Examination of Banks. Approval or Liquidation.] It shall be the duty of the State Examiner and his deputies or any

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qualified examiner or examiners to be elected and appointed by the Depositors' Guaranty Fund Commission to examine every State Bank and Trust Company doing business in this state within six months from the passage and approval and taking effect of this Act. Said Depositors' Guaranty Fund Commission shall have power to fix the compensation and expense allowance of such examiner or examiners employed by them, other than the State Examiner and his deputies.

All compensation and expenses of such examination shall be paid from the general fund of the state and no assessment shall be levied upon any bank by the Depositors' Guaranty Fund Commission until its condition shall be approved by the Depositors' Guaranty Fund Commission. Every bank whose condition is not approved by said Commission and which does not comply with the conditions and requirements imposed by said Commission within three months after notice of disapproval shall be immediately liquidated, as provided for the liquidation of insolvent banks; provided, however, that the Depositors' Guaranty Fund Commission shall have discretionary powers to extend the time not to exceed an additional six months.

§ 7. Filing Statements. Assessments.] Within thirty days after the passage, approval and taking effect of this Act and annually thereafter every bank engaged in the business of banking in this state shall make and file with the Depositors' Guaranty Fund Commission, a statement in writing, verified by the oath of its president, vice-president or cashier, showing the average daily deposits in its bank for the preceding twelve (12) months.

Immediately after the date fixed for the making and filing of the first statement and annually thereafter the Depositors' Guaranty Fund Commission shall levy assessments against the assets of each of said banks as follows:

One-twentieth of one per cent on the average daily deposits as shown by the first statement of such average daily deposits required to be made and filed by the provisions of this section.

For each and every year thereafter, one-twentieth of one per cent of the average daily deposits as shown by the statement required to be made and filed under the provisions of this act in each year, until the total amount of money in the Guaranty Fund reaches one per cent of the average daily deposits; provided, however, that said Depositors' Guaranty Fund Commission shall have power to make and levy additional assessments of one-twentieth of one per cent, but not to exceed four such additional assessments shall be made in any one year.

Due and legal notice of such assessment or assessments shall be deemed to have been given when such notice as shall be prepared by the Secretary of the Commission has been placed in an envelope, securely sealed, registered and postage prepaid, directed to each of said banks and deposited in the United States mail.

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Provided that when the Depositors Guaranty Fund reaches the total sum of one per cent of the average daily deposits, said assessment against the assets of said bank shall cease until such time as Guaranty Fund is depleted below three-fourths of one per cent of the average daily deposits, when the necessary assessment may be again levied at one-twentieth of one per cent per annum until said fund again reaches one per cent of the average daily deposits.

Provided further, that no bank which has complied in full with the provisions of this act shall be required to give any further security or bond for the purpose of becoming a depository for any public funds, but public funds shall be secured in the same manner as private funds are secured.

All deposits not otherwise secured shall be guaranteed by this Act. The Guaranty as provided for in this Act shall not apply to a bank's obligation as endorser upon bills re-discounted nor to bills payable, or to money borrowed from its correspondents or others. Each Guaranteed Bank shall certify under oath to the Depositors' Guaranty Fund Commission at the date of statements as hereinbefore provided, the amount of money it has on deposit not eligible to guaranty under the provisions of this Act, and in assessing such bank this amount shall be deducted from the total deposits.

§ 8. Interest on Deposits.] No bank transacting a banking business under this Act shall pay interest on deposits, directly or indirectly at a greater rate than five per cent per annum, unless authorized by the Depositors Guaranty Fund Commission to pay a greater rate in which no case shall exceed six (6) per cent per annum, and said Depositors' Guaranty Fund Commission is hereby authorized and empowered to grant permission to pay such higher rate; provided, that the rate so granted shall be uniform [illegible]ain any county.

Any officer, director or employee of any bank violating the provisions of this section, directly or indirectly, shall be deemed guilty of a felony and on conviction thereof shall be punished by a fine of not less than one hundred ($100) dollars or more than five hundred ($500) dollars or by imprisonment in the state penitentiary for a term of not less than one year or more than three years or both, in the discretion of the Court.

§ 9. Averaged Annual Statement. False Statements. Penalty.] Any bank commencing business and receiving deposits less than twelve months prior to the date when the statement referred to in section seven is required to be made and filed shall show the average daily deposits for that portion of said annual period during which it has been engaged in business and receiving deposits.

Any person making oath to any of the statements herein required, knowing the same to be false, shall be deemed guilty of a felony and be punished by a fine of not less than three hundred ($300.00) dollars nor more than one thousand ($1,000.00) dollars, or by imprisonment in the state penitentiary for a term of not less

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than one year nor more than five years, or both, in the discretion of the Court.

§ 10. VOLUNTARY LIQUIDATION OR CHANGE TO A NATIONAL BANK.] If any bank desires to go into voluntary liquidation or change to a National bank before the assessment provided for in the last section becomes due and payable, the provisions of this act shall not relieve said bank from the payment of any assessments then due from it to the Depositors' Guaranty Fund.

§ 11. NEW BANKS.] Any bank organized subsequent to the passage, approval and taking effect of this act shall pay into the Depositors' Guaranty Fund an amount equal to two per cent of its capital stock, when such bank opens for business, which amount shall constitute a credit fund, subject to adjustment on the basis of said bank's average daily deposits, as shown by the first annual statement required by section seven of this article.

The Depositors' Guaranty Fund Commission is authorized and empowered to make an adjustment of the rates of assessment to be paid by any bank which engages in the banking business subsequent to the passage, approval and taking effect of this Act, and shall require such bank to contribute to the Depositors' Guaranty Fund, a just and equitable sum, and the Depositors' Guaranty Fund Commission shall adjust assessments of such bank so that the first two assessments, together with the credit fund of two per cent of the capital stock paid by said bank when it begins business, shall at least equal one-half of one per cent of the average daily deposits of said bank as shown by the first annual statement required by section seven of this article.

Provided, however, that said two per cent will not be required of new banks formed by the re-organization or consolidation of banks that have previously complied with the terms of this Act with reference to the payment of assessments.

§ 12. NOTICE OF ASSESSMENTS. DISPOSITION. PAYABLE ON DEMAND.] As soon as said assessments are respectively levied, the banks against which the same are levied shall be notified of the amount of such assessment levied against them respectively, by the Secretary of the Depositors' Guaranty Fund Commission, and said banks shall thereupon set apart, keep and maintain in their said banks the amounts thus levied against them and the amounts thus levied, kept and maintained shall be and constitute what shall be designated as the Depositors' Guaranty Fund payable to the Depositors' Guaranty Fund Commission on demand, for the uses and purposes provided.

§ 13. ASSESSMENT. FAILURE TO CREDIT.] Whenever any bank after due notice from the Secretary of the Depositors' Guaranty Fund Commission shall fail to pay over or credit on its books to the Depositors' Guaranty Fund any assessment as herein provided, for a period of twenty days, such bank shall be subject to a penalty of ten ($10.00) per day for each day it so refuses or fails to pay over or credit to such Depositors' Guaranty Fund such

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assessment and penalty, and the State Examiner shall at the expiration of thirty days from the date of notice of assessment herein provided, if said assessment and penalty still remains unpaid, take possession of the affairs of such bank and liquidate its business as provided by the State Banking Laws for making final disposition of insolvent banks.

§ 14. DEPOSITORS' GUARANTY FUND. FIRST LIEN. EXCEPTION.] Whenever any bank doing business in this State under the provisions of this Act shall suspend payment or become insolvent, the amount of money standing to the credit of the Depositors' Guaranty Fund on deposit in such bank shall be first lien upon the assets of such institution; save and except funds deposited in such institution by the State Examiner and belonging to the estate of any insolvent institution, which shall have preference over all other claims.

§ 15. DEPOSITS. PAYMENT.] When any bank doing business under the provisions of this Act suspends or becomes insolvent, the State Examiner shall forthwith proceed to determine the pro-rata amount due from each bank necessary to pay the unsecured depositors in full, and cause the same to be certified to the Depositors' Guaranty Fund Commission, and at the same time he shall certify to said Depositors' Guaranty Fund Commission the amounts due to the several depositors of such insolvent bank and also, at the same time, certify any amounts that may be owing by said depositors to said bank, and the treasurer of said Commission shall thereupon draw against the Depositors' Guaranty Fund on Deposit in the several banks in the amount thus certified, and shall immediately transmit to such depositors the amounts due them, less any amounts that may be owing by said depositors to said bank. Provided, however, that if there should not be sufficient funds in the Depositors' Guaranty Fund to pay said claims, then the Depositors' Guaranty Fund Commission shall issue certificate of indebtedness, negotiable in form, against the Depositors' Guaranty Fund and in favor of such bank, drawing interest at the rate of five per cent per annum, which said certificate of indebtedness shall become due and payable on the first day of March next succeeding the date of issue thereof, and shall be paid out of the first money accruing to the Depositors' Guaranty Fund. Such drafts against the Depositors' Guaranty Fund shall be pro-rated, as nearly as may be, among the several solvent banks wherein the same is as aforesaid kept and maintained, in accordance with the amounts thereof held by such banks respectively. All moneys collected or received from time to time by the Depositors' Guaranty Fund Commission under the provisions of this Act shall be deposited in one or more banks or trust companies operating under the provisions of this Act.

§ 16. SUBROGATION.] To the extent of the amount paid from the said Depositors' Guaranty Fund to satisfy the claims of depositors, said Depositors Guaranty Fund Commission, for the

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use and benefit of said funds, shall be subrogated to all the rights of the depositors thus paid, to participate in the assets of such bank and the same shall be enforced and collected by the State Examiner accordingly and when collected shall be placed in said fund and deposited by the Depositors Guaranty Fund Commission in the solvent banks subject to the provisions of the Depositors Guaranty Fund, proportionate as to the several deposits to the assessments levied against each of said banks.

§ 17. SAME REPORTS.] The State Examiner or Examiner in charge of any suspended or insolvent bank, possession of which has been taken under the provisions of this Act, shall make to the Depositors Guaranty Fund Commission not less than one report quarterly, according to such form as may be prescribed, such report to be verified by his oath.

§ 18. NOTICES NOT OTHERWISE PROVIDED FOR.] Whenever notice is required by the provisions of this act, and such notice is not otherwise provided for as to form or manner of service thereof, the same may be served in the manner now provided for the service of summons in civil action, or by registered mail, and an affidavit of such mailing of such notice by the person giving or serving same, shall be prima facie evidence of the service of such notice.

§ 19. NOTIFICATION OF ADMISSION CERTIFICATE.] Immediately after being passed upon favorably by the Depositors' Guaranty Fund Commission, the Secretary shall notify each and every bank showing such admission, the same to be signed by the chairman and attested by the Secretary of the Commission and bear the seal of the State Examiner. Such certificate shall be carefully preserved by the bank receiving same by being framed or otherwise properly protected, and shall at all times be displayed in a conspicuous position in the lobby of the bank.

§ 20. FORMS. APPROVAL.] The Depositors' Guaranty Fund Commission shall prescribe all such forms as may be useful, or necessary in carrying out the provisions of this act.

§ 21. PUNISHMENT. WHERE NOT OTHERWISE PROVIDED.] Where no other punishment is provided herein any person violating any of the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than fifty dollars nor more than three hundred dollars or by imprisonment in the county jail for not less than thirty nor more than ninety days or both in the discretion of the court.

§ 22. SAVING CLAUSE.] Nothing in this act contained repealing any act for the regulation or conduct of banking, shall be construed, to release any person from punishment for any acts heretofore committed violating said act or acts nor effect in any manner any existing indictment or prosecution by reason of such repeal; and for that purpose such acts shall continue in force and effect notwithstanding such repeal.

§ 23. NATIONAL BANKS RE-ORGANIZED MAY QUALIFY. REQUIREMENTS.] Any national bank that has re-organized as a state

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bank as provided herein, shall before engaging in business under the provisions of this act set apart and credit to the Depositors' Guaranty Fund such an amount as will place them on an equal basis in such respect, with other state banks heretofore admitted, computed on the average daily deposits of such banks during the prior calendar year.

§ 24. FEDERAL GUARANTY LAW.] Whenever by Act of Congress or by decision of the Federal court, or departmental construction of the National Banking Acts, National Banking Associations located and doing business within this State are permitted to avail their depositors of the protection of the Depositors Guaranty Fund, established by the law of this state for the re-paying of deposits in closed banks, such association, after examination at its expense by the State Examiner upon approval as to its financial condition, may participate in the assets and benefits of the Depositors Guaranty Fund upon terms and conditions in harmony with the banking law of this state to be fixed by the said Depositors Guaranty Fund Commission, provided that in the event national banking associations shall be required by federal enactment to pay assessments to any Depositors Guaranty Fund of the Federal Government and thereby the depositors in such association in this state shall be guaranteed by virtue of the Federal Laws, the association having availed themselves of the benefits of this act, may withdraw therefrom and have returned to them the unused portion of all assessments levied upon and paid by such associations.

§ 25. UNAPPROPRIATED ASSESSMENTS REFUNDED. WHEN.] If any bank organized under the laws of this state, having paid any assessment or assessments to the Depositors Guaranty Fund shall liquidate and go out of business, or shall desire to organize as a national bank and withdraw from the protection of the Depositors Guaranty Fund for its depositors, the portion of such assessment or assessments, which shall not have been used under the provisions of this act shall be refunded to any bank by the Depositors Guaranty Fund Commission. Provided, that no such bank shall be released from its proper proportion of all outstanding certificates of indebtedness of the Depositors Guaranty Fund, issued to the depositors of failed banks under the provisions of this act, nor until it shall have received permission in writing so to do from the Depositors Guaranty Fund Commission of this state after an examination of its condition.

§ 26. RESUME BUSINESS.] Such bank or trust company may upon repayment of any money advanced by the Depositors Guaranty Fund to such bank or trust company, with the consent of the Depositors Guaranty Fund Commission resume business upon such conditions as may be approved by said Commission.

§ 27. DEFINING BANKS AND BANKING FOR THE PURPOSES OF THIS ACT.] For the purpose of this act every corporation, except national banks whose business, in whole or in part, consists of the taking of deposits or buying and selling exchange shall be held to

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be and is hereby declared to be a bank, and as thus defined shall be subject to the provisions of this act, provided further, that trust companies doing a general banking business as defined in this section separate and apart from the writing of surety bonds and other general business and building and loan association receiving savings deposits shall be declared to be a bank and shall also be subject to the provisions of this Act.

§ 28. NEW BANKS. ORGANIZING.] Any banks organized and authorized to do business under the provisions of the State Banking Laws, on and after the passage, approval and taking effect of this act shall sell the capital stock thereof at two ($2.00) dollars per share above par and the amount received as a result of such advance shall be credited on the books of such bank to the Depositors Guaranty Fund as hereinbefore provided.

§ 29. REPEAL.] That part of sections 371, 1475 and 3317 of the Compiled Laws of North Dakota for the year 1913, and any and all other provisions of law requiring the giving of personal or surety bonds for deposits of public funds in so far as same applies to banks belonging to the Depositors Guaranty Fund, and all acts and parts of acts in so far as they conflict with the provisions of this this act are hereby expressly repealed.

Approved March 10, 1917.

HIGHWAYS

CHAPTER 127.

[H. B. No. 32—Reishus.]

HIGHWAY IMPROVEMENTS.

An Act to Amend and Re-enact Section 3, Chapter 110 of the Session Laws of the State of North Dakota for the year 1915, Relating to Highway Improvements.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 3 of Chapter 110 of the Laws of North Dakota for 1915, Relating to Highway Improvements, be amended to read as follows:

§ 3. That said Board of Highway Improvements may meet on the second Tuesday in February of each year at the County seat, and it shall be their duty to formulate plans and methods for the uniform working and establishing of highways within their county; and such methods as they shall adopt shall be followed in each of the districts of said county, provided that no plan or resolution shall be adopted by said board that is in conflict with any law with reference to highways. A majority vote of all the members

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J. Karp

CHAPTER 60

An Act to Amend and Re-enact Section 5198 of the Compiled Laws of the State of North Dakota for the year 1913, authorizing and restricting the investment of Capital, Deposits and Surplus of Savings Banks.

S. 5198. Investment of Fund. A savings bank incorporated hereunder shall invest its capital, its deposits, its surplus and its profits only as follows:

Amended 1929, Ch. 88

First. In bonds of the United States.

Second. In bonds or evidences of debt in this state or in the bonds of other states in the Union.

Third. In bonds or warrants of any county in this state, or in the bonds or warrants of any city in this state, or any special improvement district therein, or in the bonds or warrants of any village, township, school district or drainage district in this state, issued pursuant to the authority of law, but not exceeding thirty per cent of the assets of such savings bank shall be invested in such bonds or warrants.

Fourth. In notes or bonds secured by mortgage or deed of trust upon unincumbered real estate in this state, which real estate shall be worth, exclusive of all improvements, at least twice the amount loaned thereon, but in addition thereto, there may be loaned thirty per cent of an appraised value of any buildings on said real estate provided fire insurance policies are maintained and deposited as collateral to such mortgage.

Fifth. In the mortgage bonds of any railroad corporation, incorporated under the laws of any state of the United States, provided that during each of the ten fiscal years of such railroad corporation next preceding the date of such investment:

1. Such railroad corporation shall have paid the matured principal and interest of all its mortgage indebtedness.

2. Such railroad shall have paid in dividends in cash to its stockholders, an amount of at least four per cent per annum upon all its ~~xx~~ outstanding stock of every class.

Sixth. To the extent of sixty per cent of the total demand deposits, in promissory notes due not more than one year from the date of the loan; provided that where there are pledged securities such as such corporation is by this Chapter authorized to invest its funds, there may be loaned an amount not to exceed eighty per cent of the value of such securities, and provided, further that no such loan shall be made to a person in excess of five per cent of the total demand deposits and in no event more than fifteen per cent of the capital stock and surplus.

Approved March 12, 1917.

CHAPTER 61.

An Act to Amend and Re-enact Section 2115, Compiled Laws of North Dakota for the Year 1913, Relating to the Assessment of Bank or Trust Company Stock, and Revenue and Taxation.

S. 2115. Bank and Trust Company Stock. Where and at what valuation to be listed. The stockholders of every bank, and of every trust company, located in this state, whether such bank or trust company has been organized under the banking laws of this state, or of the United States, shall be assessed and taxed on the value of the shares of stock, in the county, town, district, city or village where such bank or trust company is located, and not elsewhere, whether such stockholders reside in such places or not; such shares shall be listed and assessed annually with regard to the ownership and value thereof on the first day of April of each year. To aid the assessor in determining the value of such shares of stock, the accounting officer of every bank and trust company shall furnish a statement in duplicate to the assessor, verified by oath, showing the amount and number of such shares of capital stock of such bank or trust company, the amount of its surplus or reserve fund and undivided profits; the amount of its net investment in real estate, which real estate shall be returned in the name of the bank

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or trust company and shall be assessed and taxed as other real estate is under this article. To determine the real values of such real estate investments the assessor shall strike from his lists all real estate which said bank or trust company has sold to any party or parties under any contract whereby the party or xxxxxxxxxx parties purchasing agrees to pay all taxes levied against such property. The assessor shall deduct the net amount of said investment in real estate from the aggregate amount of such capital stock, surplus and undivided profits and the remainder shall be taken as a basis for valuation of such shares of stock in the hands of the stockholders subject to the provisions of law requiring all property to be assessed at its true and full value, or as such property may be by law classified for assessment. Provided, however, no bank or trust company shall be permitted a deduction for net investment in real estate of more than sixty per cent of its capital stock, surplus and undivided profits; and provided further, that upon written request of the accounting officer any solvent bank or trust company may have the total amount of the assessment herein provided for as against each shareholder to be assessed against the bank or trust company in its corporate name and the taxes accruing thereon paid as other expenses of the bank or trust are paid. The shares of capital stock in national banks, not located in this state, held in this state, shall not be required to be listed under this article.

Approved, March 9, 1917.

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SESSION LAWS - North Dakota - 1917

Chapter 219 - State Examiner.

An Act regulating the number of deputies and other employees in the office of the State Examiner, and the manner of dividing the State into Districts for the purpose of facilitating the work in the state examining department.

Section 1. The state examiner may, subject to the approval of the state banking board, appoint and at pleasure remove, not more than thirteen deputy examiners, one reconcilement clerk, one stenographer and such other employees as may in the judgment of the state banking board, be necessary for the proper discharge of the business of his department. Each deputy examiner shall give bond to the state in the sum of $10,000 to be approved and filed in the same manner as the bond of the state examiner. The state examiner shall select and designate one of said deputy examiners to be the office deputy and to act during the absence or disability of the state examiner, and in such cases the deputy examiner so authorized shall have charge of the office and administer its affairs. Eight of the said deputy examiners so appointed shall have had at least three years active experience in bank work within this state and shall furnish such evidence of qualification as expert accountants and general fitness for the duties as may be demanded by the banking board.

S. 2. Districts. How divided. For the purpose of the better administration of his department the state examiner shall immediately after the taking effect of this act, proceed to divide the state into eight districts which shall have as nearly as may be, banks and other financial institutions of an equal number, and arranged with reference to convenience and economy in travel and shall at ~~once~~ once designate the district in which each of his eight examiners shall make examinations, and such deputy examiners shall confine their work, as nearly as may be, to the examination of corporations located within their respective districts, except that any such deputy examiner may be temporarily transferred to other districts, or more than one deputy examiner may be assigned temporarily to any district when the proper performance of the work therein would indicate the necessity for so doing. No deputy examiner shall have any interest directly or indirectly in any corporatinn within the jurisdiction of the banking department, nor in any corporation engaged wholly or in part in the writing or issuing of bonds of or for any such corporation or of the officers or employees of any such corporation.

Amended 1927, Ch. 131, S-234.

S. 3. Salaries. The salary of the office deputy shall be twenty-five hundred dollars per annum, and the salary of each other deputy two thousand dollars per annum and in addition thereto he shall be paid his actual and necessary traveling expenses when engaged in the discharge of his duties; the salary of the reconcilement clerk shall be fifteen hundred dollars per annum; salary of the stenographer shall be twelve hundred dollars per annum and the salaries of ~~khx~~ other clerks or assistants herein provided for, shall be fixed by the State Banking Board.

All acts or parts of acts in so far as they conflict with the provisions of this Act are hereby repealed.
Approved March 10, 1917.

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1919

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Chapter 22.

An Act providing for the exemption from taxation of the income from moneys deposited in any bank or other financial institution within the State.

S. 1. All income derived ~~from~~ from moneys deposited in any bank or other financial institution within the state is hereby exempted from taxation under the provisions of Chapter 234 (224), Laws of North Dakota, 1919.

S. 2. All Acts or parts of Acts, insofar as inconsistent with the provisions of this Act, are hereby repealed.

S. 3. This Act is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval.

Approved 2:15 p.m., Dec. 11, 1919.

Chapter 23.

An Act to amend and reenact Section 5170 of the Compiled Laws, State of North Dakota, for the Year 1913, as amended by Chapter 58 of the Session Laws of 1915, relating to the legal reserve fund of banking corporations and associations.

Amended 1925 ch. 95, S-1

S. 1. That Section 5170 of the Compiled Laws of the State of North Dakota for the year 1913, as amended by Chapter 58 of the Session Laws of 1915, is hereby amended and reenacted to read as follows:

S. 5170 as amended. Amendment. Reserve fund. Each corporation or association shall at all times have on hand in available funds an amount which shall equal 10 per cent of its demand deposits and amounts due to other banks and 7 per cent of its time deposits; three-fifths of this amount may consist of balances due to the corporation or association from the Bank of North Dakota, or good solvent state or national banks or trust companies, which carry sufficient reserve to entitle them to act as such depository banks, and are located in such commercial centers as will facilitate the purposes of banking exchanges, and which depository bank shall have been first approved by the State Banking Board, and the remaining two-fifths of such reserve shall consist of actual cash on hand; cash items shall not be included in computing reserve, and no corporation or association shall carry as cash or cash items, any paper or other matter except legitimate bank exchange, which will be cleared on the same or next succeeding day. Whenever the available funds, within the meaning of this Section, shall be below ten per cent of its demand deposits and amounts due to other banks, and seven per cent of its time deposits, such corporation or association shall not increase its liabilities by making any new loans or discounts other than by discounting or purchasing bills of exchange, payable at sight, nor make any ~~dividend~~ dividend of its profits, until the required proportion between the aggregate amount of the deposits and its lawful money reserve has been restored; and the State Banking Board must notify any corporation or association whose lawful money reserve shall be below the amount required to be kept on hand, to make good such reserve, and if such corporation or association shall fail to do so for a period of thirty days after such notice, the State Banking Board may impose a penalty of not less than one hundred dollars or more than five hundred dollars, which shall be collected in the same manner as other penalties prescribed in this Chapter.

Approved 8:00 p.m., December 11, 1919.

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DEPOSITORS' GUARANTY FUND COMMISSION

Amended 1931, Ch. 21

CHAPTER 110.

(H. B. No. 160—Klein.)

GUARANTEE OF BANK DEPOSITS.

An Act to Amend and Re-enact Paragraph 1 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

Sec. 1. Paragraph 1 of Chapter 126 of the Laws of North Dakota for the year 1917 is hereby amended and re-enacted to read as follows:

Paragraph 1. DEPOSITORS' GUARANTY FUND COMMISSION ESTABLISHED. COMPENSATION. EXPENSES.) There is hereby established a Depositors' Guaranty Fund Commission of the State of North Dakota to be composed of five members, viz: The Governor of the State of North Dakota, the State Examiner and three members to be appointed by the Governor of the State. All succeeding appointments to membership of said Commission, whether to fill vacancies or otherwise, shall be made by the Governor of the State of North Dakota. All members of this Commission shall be residents of the State of North Dakota, and all members except the Governor and the State Examiner shall have had at least five years experience in the management of some bank or banks located within the State of North Dakota and shall be an official of some bank which is directly affected by the provisions of this Act. One of such members shall be appointed for the term of one year, one for a term of two years and one for a period of three years, and each succeeding appointment except to fill a vacancy caused by death, resignation or removal of a member shall be for a period of three years. The Governor shall be the chairman of said board and the Attorney General shall be exofficio the attorney for the board and the State Examiner shall be its secretary. The Commission at its first meeting shall select one of its members as treasurer. The members of the Commission other than the Governor and the State Examiner shall receive for their services five ($5.00) dollars per day for the time actually served and their actual expenses incurred in the performance of their duties, the same to be paid out of the general fund of the state. Said Commission shall have the supervision and control of the Depositors' Guaranty Fund and shall have the power to adopt all necessary rules and regulations, not inconsistent with law, for the management and administration of said fund.

Approved Feb. 26, 1919.

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INDUSTRY—STATE

CHAPTER 147.

(H. B. No. 18—Committee State Affairs.)

THE BANK OF NORTH DAKOTA.

An Act Declaring the Purpose of the State of North Dakota to Engage in the Banking Business and Establish a System of Banking Under the Name of the Bank of North Dakota, Operated by the State, and Defining the Scope and Manner of its Operation, and the Powers and Duties of the Persons Charged with its Management; Making an Appropriation Therefor; and Providing Penalties for the Violations of Certain Provisions Thereof.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

Sec. 1. For the purpose of encouraging and promoting agriculture, commerce and industry, the State of North Dakota shall engage in the business of banking, and for that purpose shall, and does hereby, establish a system of banking owned, controlled and operated by it, under the name of the Bank of North Dakota.

Sec. 2. The Industrial Commission shall operate, manage and control the Bank of North Dakota, locate and maintain its places of business, of which the principal place shall be within the state, and make and enforce orders, rules, regulations and by-laws for the transaction of its business. The business of the Bank, in addition to other matters herein specified, may include anything that any bank may lawfully do, except as herein restricted; but this provision shall not be held in any way to limit or qualify either the powers of the Industrial Commission herein granted, or the functions of said Bank herein defined. The Industrial Commission shall meet within twenty days after the passage and approval of this Act to begin the organization of the Bank.

Sec. 3. To accomplish the purposes of this Act, the Industrial Commission shall acquire by purchase, lease or by exercise of the right of eminent domain, as provided by Chapter 36 of the Code of Civil Procedure, Compiled Laws of 1913, all requisite property and property rights, and may construct, remodel and repair buildings; but it shall not invest more than ten per cent of the capital of the bank in furniture, fixtures, lands and buildings for office purposes.

Sec. 4. The Industrial Commission shall obtain such assistance as in its judgment may be necessary for the establishment, maintenance and operation of the Bank. To that end it shall appoint a manager, and may appoint such subordinate officers and employes as it may judge expedient. It may constitute such Manager its general agent, in respect to the functions of said Bank, but

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subject, nevertheless, in such agency, to the supervision, limitation and control of the commission. It shall employ such contractors, architects, builders, attorneys, cashiers, tellers, clerks, accountants, and other experts, agents and servants as in the judgment of the Commission the interests of the state may require, and shall define the duties, designate the titles, and fix the compensation and bonds of all such persons so engaged; provided, however, that subject to the control and regulation of the Commission, the Manager of the bank shall appoint and employ such deputies, cashiers, tellers, and other subordinates, and such contractors, architects, builders, attorneys, clerks, accountants and other experts, agents and servants, as he shall, in his judgment, deem are required by the interests of the Bank. The total compensation of such appointees and employes, together with other expenditures for the operation and maintenance of the Bank, shall remain within the appropriation and earnings lawfully available in each year for such purpose. All officers and employes of the Bank engaged upon its financial functions shall, before entering upon their duties, respectively furnish good and sufficient bonds to the state in such amount and upon such conditions as the commission may require and approve; but the bond of the Manager shall not be less than fifty thousand dollars. Such bond shall be filed with the Secretary of State.

Sec. 5. The Industrial Commission may remove and discharge any and all persons appointed in the exercise of the powers granted by this Act, whether by the Commission or by the Manager of the Bank, and any such removal may be made whenever in the judgment of the Commission the public interests require it; provided, however, that all appointments and removals contemplated by this Act shall be so made as the Commission shall deem most fit to promote the efficiency of the public service.

Sec. 6. The Bank shall be opened and shall proceed to transact business whenever there shall be delivered to the Industrial Commission bonds in the sum of two million dollars issued by the state as may be provided by law for such purpose. The fund procured by the negotiation and sale of such bonds is hereby designated and shall be known as the capital of said Bank.

Sec. 7. All state, county, township, municipal and school district funds, and funds of all penal, educational and insdustrial institutions and all other public funds shall be, by the person having control of such funds, deposited, in the Bank of North Dakota within three months from the passage and approval of this Act, subject to disbursement for public purposes on checks drawn by the proper officials in the manner now or hereafter to be provided by law; provided, however, that on a proper showing made by any official having control of public funds, the Industrial Commission may permit a postponement of the deposit of such funds or any part thereof in the Bank of North Dakota, the period of such postponement not to exceed six months. And

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provided, further, that if any such funds are now loaned by authority of law under a contract terminating at a future time, then the deposit of such funds in the Bank of North Dakota shall not be required until two months after time of expiration of such contract. Any person who shall violate any of the provisions of this section shall be guilty of a misdemeanor and upon conviction thereof shall be punished by imprisonment in a county jail for not less than ninety days, and by a fine of not less than one hundred dollars.

Sec. 8. Whenever any of the public funds hereinbefore designated shall be deposited in the Bank of North Dakota, as hereinbefore provided, the official having control thereof, and the sureties on the bond of every such official, shall be exempt from all liability by reason of loss of any such deposited funds while so deposited.

Sec. 9. The Bank of North Dakota may receive deposits from any source, including the United States Government and any foreign or domestic individual, corporation, association, municipality, bank or government. Funds may be deposited to the credit of the Bank of North Dakota in any bank or agency approved by the Industrial Commission.

Sec. 10. All deposits in the Bank of North Dakota are hereby guaranteed by the state. Such deposits shall be exempt from State, County and Municipal taxes of any and all kinds.

Sec. 11. Funds deposited by State Banks in the Bank of North Dakota shall be deemed "available funds" within the meaning of that term as used in Section 5170 of the Compiled Laws of 1913. For banks that make the Bank of North Dakota a reserve depositary, it may perform the functions and render the services of a clearing house, including all facilities for providing domestic and foreign exchange, and may re-discount paper, on such terms as the Industrial Commission shall provide.

Sec. 12. The Industrial Commission, unless otherwise limited by law, shall from time to time fix the rates of interest allowed and received in transactions of the Bank. Such rates shall be as nearly uniform and constant as practicable, and shall not be fixed or changed to work any discrimination against or in favor of any person or corporation. But in respect to time deposits received by the Bank, transactions may be reasonably classified as to the amounts and the duration of time involved, and a reasonable differentiation of interest rates based on such classification may be allowed. When interest is allowed on any deposits it shall not be less than one or more than six per cent. The Industrial Commission shall also fix reasonable charges, without unjust discrimination, for any and all services rendered by the Bank.

Sec. 13. All checks and other instruments and items of exchange payable on demand, sent by the Bank of North Dakota to any State Bank or banking association in North Dakota, for collection, shall be by such State bank or banking association re-

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ted for at par to the Bank of North Dakota. Any person or corporation who shall violate any of the provisions of this section shall be guilty of a misdemeanor.

Sec. 14. The Bank of North Dakota may deposit funds in any bank or banking association within or without the state upon such terms and conditions as the Industrial Commission shall determine.

Sec. 15. The Bank of North Dakota may transfer funds to other departments, institutions, utilities, industries, enterprises or business projects of the state, which shall be returned with interest to the Bank. It may make loans to counties, cities or political subdivisions of the state, or to state or national banks on such terms, and under such rules and regulations, as the Industrial Commission may determine; but it shall not make loans or give its credit to any individual, association or private corporation, except that it may make loans to any individual, association or private corporation, secured by duly recorded first mortgages on real estate in the State of North Dakota in amounts not to exceed one-half the value of the security, or secured by warehouse receipts issued by the Industrial Commission or by any licensed warehouse within the state, in amounts not to exceed ninety per cent. of the value of the commodities evidenced thereby. It shall not, however, loan on real estate security more than thirty per cent. of its capital, nor in addition thereto, more than twenty per cent of its deposits. Additional funds, that may be required for such real estate loans, shall be procured from the sale of state bonds as may be provided by law.

Sec. 16. The Industrial Commission shall prescribe the forms of application for a mortgage loan on real estate, and shall provide for appraisal of the proposed security. Until otherwise provided by the commission, when an application for a mortgage loan on real estate is made, it shall be referred to the Commissioner of University and School Lands, for appraisal of the proposed security. The Commissioner of University and School Lands, shall thereupon promptly cause it to be appraised in the same manner as school lands are appraised, and upon completion of such appraisal shall return the application, together with the appraisal, to the Bank. Thereupon the Bank shall promptly determine whether to grant or refuse any part or all of such loan.

Sec. 17. Every such mortgage shall contain an agreement providing for the re-payment of the loan on an amortization plan by means of a fixed number of annual installments sufficient to cover, first, a charge on the loan, at a rate not exceeding the interest rate in the last series of real estate loan bonds issued, if any, by the State of North Dakota; second, a charge for administration and surplus, at a rate not exceeding one per cent. per annum on the unpaid principal, said two rates combined constituting the interest rate on the mortgage; and, third, such amounts to be applied on the principal as will extinguish the debt in not

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less than ten nor more than thirty years; provided, however, that advanced payment of one or more annual installments, for the reduction of the principle, or the payment of the entire principal, may be made at any regular installment date; and, provided further, that in case of a crop failure which reduces the mortgagor's reasonable crop income by one-half, all payments under said mortgage may, in the discretion of the Industrial Commission be extended for one year, upon condition that on the payment of all installments, such further annual payment shall be made as will pay the interest, with interest thereon, for the years for which no payments were made. The Industrial Commission shall determine whether a mortgagor is entitled to an extension of the payment of any installment, under the provisions of this section.

Sec. 18. Every such mortgage, and the note or other obligation thereby secured, shall run to "The Manager of the Bank of North Dakota, his successors in office or his assigns," as payee and mortgagee, and shall contain a recital that it is executed and delivered in conformity with and upon the conditions expressed in this Act, designated by its title and the date of its approval. After having been duly recorded in each county in which the lands therein described are situated, every such mortgage shall be delivered to the Manager of said bank and together with said note or other obligation shall be held by the Manager as a part of the assets of the bank, or shall be otherwise disposed of, as hereafter provided. If so held, payments upon the note or other obligation secured by said mortgage shall be made to the Bank of North Dakota, and whenever it shall have been fully paid, the Manager shall promptly satisfy and discharge the mortgage lien of record and deliver the mortgage cancelled, with a satisfaction thereof, to the person entitled to receive it.

Sec. 19. Every such mortgage, together with the note or other obligation thereby secured, may be sold and assigned upon the payment to the bank of the full value thereof, and upon such sale and assignment, the Manager may endorse either with or without recourse. In that case payments upon said note or other obligation shall be made to the person entitled to receive them; but each such assignment shall be made subject to the provisions concerning extension of the time of payments on account of crop failures as provided in Section 17 of this Act, and subsequent action of the Industrial Commission in that regard shall be binding upon the assignee of such mortgage; provided, however, that after assignment of such mortgage extensions of payments for a yearly period shall be limited in total number to not more than one for every period of five years or fraction thereof during which such mortgage has to run after the date of assignment.

Sec. 20. Every such mortgage, together with the note or other obligation thereby secured, may be assigned, and upon order of the Industrial Commission shall be assigned, to the State Treasurer of the State of North Dakota as security for bonds to

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be issued by the state as provided by law. In case of such assignment all payments due upon said note or other obligation shall be made to the State Treasurer, and the money so by him received shall be by him held or disbursed as may be provided by law. If while any such mortgage so assigned to the State Treasurer is in his hands, the note or obligation thereby secured shall have been fully paid, the State Treasurer shall so certify to the Manager of the bank, who shall thereupon proceed to satisfy said mortgage in the same manner as though said note or other obligation had been paid directly to the bank. In case of such assignment to the State Treasurer of any such mortgage, the provisions contained in Section 19 of this Act, respecting extensions on account of crop failure, shall be effective and shall be applied.

Sec. 21. All business of the bank may be conducted under the name of "The Bank of North Dakota." Title to property pertaining to the operation of the bank shall be obtained and conveyed in the name of "The State of North Dakota, doing business as the Bank of North Dakota." Written instruments shall be executed in the name of the State of North Dakota, signed by any two members of the Industrial Commission, of whom the Governor shall be one, or by the Manager of the Bank of North Dakota within the scope of his authority so to do as defined by the Industrial Commission.

Sec. 22. Civil actions may be brought against the State of North Dakota on account of causes of action claimed to have arisen out of transactions connected with the operation of the Bank of North Dakota, upon condition that the provisions of this section are complied with. In such actions the state shall be designated as "The State of North Dakota, doing business as the Bank of North Dakota," and the service of process therein shall be made upon the Manager of said Bank. Such actions may be brought in the same manner and shall be subject to the same provisions of law as other civil actions brought pursuant to the provisions of the Code of Civil Procedure. Such actions shall be brought, however, in the county where the Bank of North Dakota shall have its principal place of business, except as provided in Sections 7415, 7416 and 7418, Compiled Laws of North Dakota, 1913. The provisions of Section 375 and 657 of the Compiled Laws of 1913 shall not apply to claims against the state, affected by the provisions of this section.

Sec. 23. The State Examiner shall personally or through deputy examiners visit the Bank of North Dakota at least twice annually, and shall inspect and verify the assets in its possession and under its control, with sufficient thoroughness of investigation to ascertain with reasonable certainty whether the valuations are correctly carried on its books. He shall investigate its methods of operation and accounting. He shall report the results of each such examination and investigation to the Industrial Commission as soon as practicable, and to the Legislative Assembly at its next

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ensuing session, and as provided in paragraph numbered 5, of Section 5146 of the Civil Code, Compiled Laws 1913, to the State Banking Board.

Sec. 24. There is hereby appropriated out of the general funds of the State, not otherwise appropriated, one hundred thousand dollars, or so much thereof as may be necessary, to carry out the provisions of this Act. This appropriation is hereby made available immediately upon the passage and approval of this Act. The Industrial Commission shall, out of the earnings of the bank, make provision for accumulating a fund with which to replace in the general funds of the state, the amount received by the commission under this appropriation, as may be directed by the Legislative Assembly.

Sec. 25. All Acts and parts of Acts inconsistent with this Act are hereby repealed.

Sec. 26. This Act is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval.

Approved February 25, 1919.

CHAPTER 148.

(H. B. No. 49—Committee State Affairs.)

BONDS OF NORTH DAKOTA.

An Act Providing for the Issuing of Bonds of the State of North Dakota in the Sum of Two Million Dollars, to be Known as "Bonds of North Dakota, Bank Series"; Prescribing the Terms, and Stating the Purposes The eof; Providing a Tax and Making Other Provision for the Payment Thereof; Making Appropriations for the Payment of Said Bonds and to Carry Into Effect the Provisions of This Act; and Declaring this Act to be an Emergency Measure.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

Sec. 1. The State Treasurer is hereby directed forthwith to prepare for issue, and the Governor and the State Treasurer are hereby authorized, empowered and directed to issue, negotiable bonds of the State of North Dakota in the aggregate amount of two million dollars. They shall be executed by the Governor and the State Treasurer under the great seal of the state and shall be attested by the Secretary of State. The Auditor and Secretary of State shall endorse and sign on each such bond a certificate showing that it is issued pursuant to law and is within the debt limit. The bonds so issued shall be designted "Bonds of North Dakota, Bank Series."

Sec. 2. The bonds so issued shall be payable to the purchaser or bearer; provided, however, that the provisions of Section 151, Compiled Laws of 1913, are hereby declared to apply to them. They shall be issued in denominations of from five dollars to ten

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thousand dollars, and shall be payable in not less than ten nor more than thirty years from the passage of this Act. They shall bear interest at a rate not exceeding six per cent. per annum from their date until maturity, payable semi-annually on the first day of January and of July in each year; and coupons shall be attached to each bond, evidencing the amount of interest payable at each first day of January and July until maturity. Principal and interest shall be payable at the office of the State Treasurer in Bismarck. The terms of said bonds, as to values of denominations, periods of maturity and rates of interest, shall be fixed by the Governor in his sound judgment, within the limitations above stated. Every such bond and coupon must be presented for payment at the office of the State Treasurer within six years from the date of its maturity, and no such bond or coupon shall bear interest after maturity unless payment thereof shall not be made upon due presentation for payment. All said bonds shall be exempt from state, county and municipal taxes of any and all kinds.

Sec. 3. The said issue of bonds is authorized for the purpose of making delivery thereof to the Industrial Commission of North Dakota as hereinafter provided, and as contemplated by Section Six (6) of the Act entitled "An Act declaring the purpose of the State of North Dakota to engage in the banking business and establishing a system of banking under the name of the Bank of North Dakota, operated by the State, and defining the scope and manner of its operation, and the powers and duties of the persons charged with its management; making an appropriation therefor, and providing penalties for the violation of certain provisions thereof," enacted in the year 1919 by the Sixteenth Session of the Legislative Assembly of North Dakota, being House Bill No. 18, and also by Section Five (5), paragraph (g) of the Act entitled "An Act creating the Industrial Commission of North Dakota, authorizing it to conduct and manage on behalf of the State certain utilities, industries, enterprises and business projects, and defining its powers and duties; and making an appropriation therefor," enacted in the year 1919 by the Sixteenth Session of the Legislative Assembly of North Dakota, being House Bill Number 17, and for the purpose of enabling the Industrial Commission to negotiate and sell such bonds, pursuant to the provisions of this Act and of said Section Five (5), paragraph (g) of the Act entitled as last above stated, being House Bill Number 17 of the Sixteenth Session of the Legislative Assembly of North Dakota, in the year 1919; thereby to procure the fund to be designated as the capital of the Bank of North Dakota.

Sec. 4. In furtherance of the purposes declared by this Act, it is hereby made the duty of the Governor and the State Treasurer after the issue, execution, sealing and attestation of said bonds to deliver them to the Industrial Commission, in such denominations and amounts, bearing interest at such rates, and run-

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ning to such periods of maturity, as may be determined by the Governor, in his discretion, upon consideration of such recommendations as the Commission may make in regard thereto. The Industrial Commission is empowered, authorized and directed, in connection with and in addition to its other powers and duties, to act as the agent of the state for the negotiation, sale and delivery of said bonds. It shall sell them for cash in such manner and at such terms as in its sound discretion it shall deem most advantageous to the interests of the state. The Commission is hereby authorized to receive all moneys paid by buyers of said bonds, upon the sale thereof, and upon receipt of the purchase price to deliver to each purchaser the bonds by him purchased. Upon such delivery of bonds so purchased and paid for, the faith and credit of the State of North Dakota is pledged for the payment thereof, both principal and interest, to the lawful holder and owner thereof upon presentation for payment, according to law. The moneys so derived and received from the sale of said bonds shall constitute the fund to be designated as the capital of the Bank of North Dakota, and shall be so employed by the Industrial Commission. Nothing in this Act, however, shall be construed to prevent the purchase of any of said bonds with any funds in the Bank of North Dakota.

Sec. 5. From time to time the Industrial Commission shall, out of the earnings derived from the operation of the Bank of North Dakota, pay to the State Treasurer such moneys as the Commission shall deem available to devote to the purpose of paying said bonds and interest. In making such payment the Commission shall file a statement with the State Treasurer specifying the purpose of such payment. When moneys shall have been so paid to the State Treasurer, he shall apply the same to their specified purpose as hereinafter directed.

Sec. 6. At the time of each annual meeting of the State Board of Equalization hereafter, the Industrial Commission shall deliver to said board an exact written statement of all bonds issued under the provisions of this Act outstanding at that time, including therein the dates of maturity, interest rates and all other information proper to enable the Board intelligently to comply with the provisions of this Act in regard to tax levies. On the basis of such information the State Board of Equalization shall annually levy a tax, at the time other taxes are levied, sufficient in amount to pay such interest on said bonds as will become due during the year beginning on the next ensuing first day of January, and said tax shall be collected in the same manner as other state taxes are collected. In determining, however, the amount of the tax sufficient for such purpose the Board of Equalization shall take into account whatever moneys, if any, shall then have been paid to the State Treasurer by the Industrial Commission as provided in Section 5 of this Act, for the specific purpose of paying such interest. The Board of Equalization shall apply to the State Treas-

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urer for information as to the amount of such moneys, and he shall forthwith supply the information requested. If the amount of such moneys shall equal or exceed the amount of the interest on said bonds payable during said year beginning on the next ensuing first day of January, then no tax shall be levied by the Board of Equalization for that purpose; but if the amount of such moneys shall be less than the amount of the interest on said bonds payable during said year, then the Board of Equalization shall deduct the amount of said moneys in the possession of the Treasurer from the amount of the interest so payable, and shall levy the tax hereinbefore in this Section provided for at least the difference between said amounts.

Sec. 7. Whenever it shall appear to the Board of Equalization from the information contained in any statement delivered to it by the Industrial Commission at any annual meeting of said Board, as provided in Section 6 above, that there will mature, within a period of five years from such annual meeting, any of the bonds provided for in this Act, the Board of Equalization shall thereupon, at such annual meeting, levy a tax in an amount equal to one-fifth of the amount of the principal of such bonds; provided, however, that in determining the amount of such tax, the Board of Equalization shall take into account whatever moneys, if any shall have been paid to the State Treasurer by the Industrial Commission for the specific purpose of paying the principal of said bonds when due, as provided in Section 5 of this Act. The Board of Equalization shall apply to the State Treasurer for information as to the amount of such moneys and as to the times when paid to him. If the amount of such moneys, paid to the Treasurer since the date of the last preceding tax levy made by the Board of Equalization, shall equal or exceed one-fifth of the amount of the bonds so to mature, then such tax shall not be levied; but if the amount of such moneys, paid to the State Treasurer since the date of the last preceding tax levy, shall be less than one-fifth of the amount of said bonds so to mature, then the Board of Equalization shall deduct the amount of such moneys, so paid, from such one-fifth of said bonds, and shall levy the tax, hereinbefore in this Section provided, for the difference. It is the intention of this Section to provide that in each of the last five years, before the maturity of any of said bonds, a state tax shall be levied which, together with such moneys as shall during the next preceding year have been paid to the State Treasurer, by the Industrial Commission for the purpose, shall be at least sufficient to pay one-fifth part of the principal of said bonds.

Sec. 8. To identify and distinguish the funds provided and available for the payment of the bonds issued pursuant to this Act there is hereby created and established, as a part of the moneys of the State received and kept by the State Treasurer, a fund to be designated the "Bank Bond Payment Fund." All moneys

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received by the State Treasurer, whether from the proceeds of taxes, or from payments made by the Industrial Commission, or from legislative appropriation, or otherwise, which shall be by law or by other authoritative designation made applicable to the payment of the said bonds, or interest thereon, shall be by him kept in said fund distinct from all other moneys, and shall be disbursed by him only for the particular purpose or purposes for which such moneys shall be delivered to him; and no other appropriation shall ever be made of the moneys in said fund until the said bonds shall be fully paid. But this Act shall not be construed as preventing the State Treasurer from depositing said funds in the Bank of North Dakota, as provided by law with respect to all public funds.

Sec. 9. There is hereby appropriated, all of the moneys obtained as proceeds of the taxes provided for in Sections 6 and 7 above, and all moneys paid to the State Treasurer by the Industrial Commission as specified in Section 5 above, and all moneys constituting the Bank Bond Payment Fund, or so much thereof as may be from time to time necessary, to pay the interest and principal upon the said bonds as payments thereon, shall become due; and whenever any of said bonds, or any coupons thereon, being due, shall be presented for payment, the State Treasurer shall pay the same out of the fund applicable thereto. If for any reason the said fund shall for the time being, be insufficient, the Treasurer shall supply the deficiency out of any other available moneys of the State in his custody; but in that case he shall as soon as possible, out of the Bank Bond Payment Fund, return the amount of such deficiency to the source whence taken.

Sec. 10. There is hereby appropriated out of the general funds of the State, not otherwise appropriated, ten thousand dollars or as much thereof as may be necessary, to carry out the provisions of this Act. This appropriation is hereby made available immediately upon the passage and approval of this Act.

Sec. 11. This Act is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval; and the provisions of Sections 6, 7, 8 and 9 hereof shall remain in full force and effect throughout the period of thirty-six years from and after the passage of this Act.

Approved February 25, 1919.

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J. Kurtz

Chapter 166.

An Act Regulating the Rate of Interest on Indebtedness After Maturity.

That the rate of interest on all indebtedness hereafter incurred shall be the same after maturity as before maturity, and any contract attempting to make the rate of interest higher after maturity shall be void as to such increase of interest.

All Acts and parts of Acts insofar as they are in conflict with this Act are hereby repealed.

Approved Jan. 23, 1919.

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SESSION LAWS - NORTH DAKOTA - 1921

Chapter 56 - An act designating legal depositaries for the funds of all public corporations and providing the procedure and the regulations under which such funds shall be deposited.

S. 1. - "All State and National banks in the state of North Dakota complying with the provisions of this Act, and the Bank of North Dakota are hereby declared to be be legal depositaries of the public funds ....."

Rest of chapter deals with procedure re furnishing bonds, selecting depositaries, etc.

Approved March 8, 1921.

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BANKS AND BANKING

CHAPTER 21.

(H. B. No. 151.—Committee on Banking.)

DEPOSITOR'S GUARANTY FUND COMMISSION.

An Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919 relative to the Guarantee of Bank Deposits.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 1 of Chapter 126 of the Laws of North Dakota for the year 1917 as amended by Chapter 110 of the Laws of North Dakota for the year 1919 is hereby amended and re-enacted to read as follows:

Paragraph 1. DEPOSITOR'S GUARANTY FUND COMMISSION. ESTABLISHED. COMPENSATION. EXPENSE.] There is hereby established a Depositors Guaranty Fund Commission of the State of North Dakota to be composed of five (5) members, viz: The governor of State of North Dakota, the State Examiner and three members be appointed by the Governor of the State. All succeeding appointments to membership of said commission, whether to fill a vacancy or otherwise, shall be made by the Governor of the State of North Dakota from a list of nine men furnished by the banks directly affected by the provisions of this act. All members of this commissions shall be residents of the State of North Dakota and all members except the Governor and the State Examiner shall have had at least five years' experience in the management of some bank or banks located within the State of North Dakota.

One of such members shall be appointed for a term of one year, one for a term of two years and one for a period of three years, and each succeeding appointment except to fill a vacancy caused by death, resignation or removal of a member shall be for a period of three years. The Governor shall be the Chairman of said board and the Attorney General shall be ex-officio the attorney for the board and the State Examiner shall be its secretary. The Commission at its first meeting shall select one of its members as treasurer. The members of the Commission other than the Governor and the State Examiner shall receive for their services five ($5.00) dollars per day for the time actually served and their actual expenses incurred in the performance

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of their duties, the same to be paid out of the general fund of the state. Said commission shall have the supervision and control of the Depositors' Guaranty Fund and shall have the power to adopt all necessary rules and regulations, not inconsistent with law, for the management and administration of said fund.

Approved March 9, 1921.

CHAPTER 22.

(H. B. No. 147.—Committee on Banking.)

EXAMINATION FEES.

An Act to Amend and Re-enact Section 5179 of the Compiled Laws for 1913 as amended and re-enacted by Chapter 55 of the Session Laws of 1915 relating to the department of the State Examiner.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 5179 of the Compiled Laws of North Dakota for the year 1913 as amended by Chapter 55 of the Session Laws of 1915 is hereby amended and re-enacted to read as follows:

§ 5179. FEES FOR EXAMINATION.] Every corporation contemplated to be, by this Act, placed under the jurisdiction and control of the State Banking Board, and made subject to the examination of the the State Examiner and his Deputy Examiners, shall if a new corporation, prior to receiving its certificate of authority to commence business, and in all cases within ten days after each examination, pay into the state treasury the following fee, to-wit: A fee of one and one-half hundredths of one per cent of the gross amount of the assets of said bank on the day of examination, exclusive of expenses, interest and taxes paid; provided that the fee hereunder shall be not less than fifteen dollars and not more than two hundred dollars.

Building and loan associations, mutual improvement corporations, mutual investment corporations, and other corporations of a mutual character, having no capital stock, or a nominal capital stock, shall pay a semi-annual fee of twenty-five dollars for the first one hundred thousand dollars of assets, and five dollars for each additional one hundred thousand dollars or major fraction thereof of assets.

The Treasurer shall report such payments to the Banking Board, and if any such corporation shall be delinquent more than twenty days in making such payments, the board may make an order suspending its functions until such payment of the amount due and a penalty of five dollars additional for the delay.

§ 2 EMERGENCY.] An emergency is hereby declared to exist and this Act shall take effect and be in force immediately after its passage and approval.

Approved March 9, 1921.

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CHAPTER 23.

(H. B. No. 149.—Committee on Banking.)

INSOLVENT BANKS.

An Act Providing for the Supervision of Liquidation of Insolvent Banks by the Depositors' Guaranty Fund Commission, the Appointment of a Supervisor of Receivers and Compensation and Expenses thereof to be paid out of the Depositors' Guaranty Fund.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. SUPERVISION OF LIQUIDATION OF INSOLVENT BANKS BY DEPOSITORS' GUARANTY FUND COMMISSION.] The Depositors' Guaranty Fund Commission shall supervise the liquidation of insolvent banks and whenever in its judgment the proper supervision therof so requires, it may appoint and at pleasure remove a supervisor of receivers who shall perform such duties in the supervision of receivers of insolvent banking associations as the commission may direct and shall receive such compensation and allowance for expenses as the commission may prescribe, the same to be paid from the Depositors' Guaranty Fund in the same manner as other expenses of the commission are paid.

§ 2. EMERGENCY.] An emergency is hereby declared to exist and this Act shall take effect and be in force immediately after its passage and approval.

Approved March 9, 1921.

CHAPTER 24.

(H. B. No. 148.—Committee on Banking.)

BANK ROBBERY.

An Act for an Act Making it a Felony for Any Person to Enter any Room Wherein a General Banking Business is Carried on, in Which There is at the Time a Human Being, with Intent to Commit a Felony by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. IMPRISONMENT FOR ENTRY INTO BANKING ROOM WITH INTENT TO COMMIT A ROBBERY.] Every person who with intent to commit a robbery therein, shall enter in the day time, any room wherein a general banking business is carried on, in which room, there shall be at the time a human being, shall be guilty of a felony and punished by imprisonment in the State Penitentiary for a term of not more than thirty years

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall take effect and be in full force from and after the date of its passage and approval.

Approved March 9, 1921.

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Laws of North Dakota

1921

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Chapter 18. Charging off losses due to bank failures. An act to appropriate the sum of $2,2882.03 for the purpose of charging off losses resulting to the State on account of the failure in the Year 1909, of the First National Bank of Rugby, Rugby, North Dakota, and the Barton State Bank, Barton, North Dakota.
State deposits in -
First National Bank of Rugby - $2,729.59.
Barton State Bank - $152.44.

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CHAPTER 41.

(H. B. No. 269—Committee on Appropriations.)

TESTING DAIRY PRODUCTS, REPEAL.

An Act to Repeal Chapter 16 of the Session Laws of North Dakota for the Special Session of 1919, Relating to Testing Dairy Products.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Sec. 1. REPEAL.) That Chapter 16 of the Session Laws of the Special Session of 1919 of North Dakota, be and the same is hereby repealed.

Approved February 27th, 1923.

CHAPTER 42.

(S. B. No. 110—Committee on Appropriations.)

DELEGATES TO NATIONAL CONVENTIONS.

An Act Making an Appropriation to Defray the Expenses of the Delegates to National Political Conventions as Prescribed by Section 916 of the Compiled Laws of North Dakota for the Year 1913.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Sec. 1. APPROPRIATION.) There is hereby appropriated out of any funds in the State Treasury not otherwise appropriated the sum of $4,000.00, for the biennium, or so much thereof as may be necessary to pay the traveling expenses of delegates to National Nominative Political Conventions as prescribed by Section 916 of the Compiled Laws of North Dakota for the year 1913.

Approved March 7th, 1923.

CHAPTER 43.

(S. B. No. 105—Appropriations Committee.)

DEPOSITORS GUARANTY FUND COMMISSION

An Act Making an Appropriation of $18,800.00 for the purpose of paying per diem, clerk hire, traveling expense, etc. in carrying out the Provisions of Chapter 126 of the Session Laws of 1917 and amendments thereto relative to the Depositors Guaranty Fund Commission.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Sec. 1. APPROPRIATION.) There is hereby appropriated out of any funds in the State Treasury not otherwise appropriated the sum of $18,800.00, or so much thereof as may be necessary for the biennium expense in carrying out the provisions of Chap-

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ter 126 of the Session Laws of 1917 and amendments thereto relative to the Depositors Guaranty Fund Commission, viz:

1. Commissioners at $5.00 per day	$ 1,500.00
3. Clerk	3,000.00
4. Supervisor or Inspectors	4,000.00
5. Postage	1,500.00
6. Office Supplies	500.00
7. Furniture & Fixtures	400.00
8. Printing	1,000.00
9. Telegrams and Telephone	450.00
10. Express & Freight	50.00
11. Bonds for Commissioners	400.00
13. Traveling Expense, Commissioners	2,000.00
14. Traveling Expense, Supervisor or Inspectors	4,000.00
Total	$18,800.00

Approved March 10th, 1923.

CHAPTER 44.

(H. B. No. 268—Committee on Appropriations.)

DISBARMENT PROCEEDINGS, REPEAL.

An Act to Repeal Section 813 of the Compiled Laws of 1913 for the State of North Dakota, Relating to Disbarment Proceedings.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

SEC. 1. REPEAL.) That Section 813 of the Compiled Laws of North Dakota for 1913 be and the same is hereby repealed.

Approved February 27th, 1923.

CHAPTER 45.

(S. B. No. 99—Appropriations Committee.)

DISTRICT JUDGES, DEFICIT.

An Act Making an Appropriation to Provide for the Payment of an Existing Deficit by the District Judges.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

SEC. 1. APPROPRIATION.) There is hereby appropriated out of any monies, in the State Treasury, not otherwise appropriated, the sum of $21,898.78, for the purpose of paying the existing deficit to District Judges; it appearing by subdivision 4, Chapter 16 of the Session Laws of 1919 that salaries were appropriated

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BANKS AND BANKING

CHAPTER 137.

(S. B. No. 267—Majority of Committee on Banks and Banking.)

ADMINISTRATION OF INSOLVENT BANKS.

An Act Declaring an Emergency to exist Affecting the Public Welfare of the State with Respect to the Administration of Insolvent Banks; Providing for the Liquidation Thereof; Vesting the Supreme Court with Jurisdiction of Such Liquidation Proceedings, and Requesting It to Assume Original Jurisdiction in Furtherance of the Public Interest; Creating the Position of Supreme Court Commissioner, Fixing His Compensation, and Defining His Powers and Authority, and Providing for the Appointment of Receivers of Insolvent Banks, and Making an Appropriation to Meet the Expenses Incident to Carrying Out the Purpose of the Act, and Directing the Supreme Court to Exercise its Supervisory Authority over the District Court in Proceedings for Liquidating the Affairs of Insolvent Banks.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Whereas, there are a large number of insolvent banks in the State, located in many different communities with thousands of depositors and other creditors, within and without the State, the obligations of which banks have remained for a long period of time unpaid, and by reason thereof the credit of the State is being injured, and hardship and injury being inflicted upon thousands of its citizens and citizens of other states, and

Whereas, in the judgement of the Legislative Assembly the ordinary judicial and administrative machinery of the State is insufficient and illy adapted to the successful and expeditious administration of the affairs of such insolvent banks, and their assets are being absorbed and depleted by expenses of administration, without corresponding liquidation of their obligations, and by reason of lack of sufficient legal authority to deal with their assets and administer their affairs, such assets are being appropriated by secured creditors in large amounts beyond the indebtedness secured, and the ordinary creditors are being thereby injured, and the depositors guaranty fund is being depleted and over whelmed with liabilities which it is liable to be unable to discharge, and

Whereas, by reason of the facts a situation of great public interest and concern has been created affecting the people of the state, as a whole, which cannot be properly and sufficiently protected according to the ordinary course of legal proceedings, and the legislature deems it proper for the Supreme Court to

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assume and exercise its original jurisdiction upon the ground that it is necessary for the protection of public interest, it is hereby enacted as follows:

Sec. 1. The Supreme Court of the State of North Dakota is hereby given, and requested to exercise, original jurisdiction of the insolvency proceedings to liquidate and windup the affairs of all insolvent state banks within the state, at the time of the taking effect of this Act, and all such as may become insolvent during its continuance.

Sec. 2. Immediately upon the taking effect of this Act the State Examiner shall certify to the Attorney General a list of all State Banks in the State now closed as insolvent, whether in the hands of Receivers, the State Examiner's office, or other trustees or agents of the state, together with a concise statement, showing the time of insolvency, the name of the Receiver in charge, and such other information as the State Examiner believes will be of importance to the Attorney General.

Sec. 3. Immediately upon receiving such certificate the Attorney General shall institute a proceeding in the Supreme Court entitled in the name of the State of North Dakota, for itself, and on behalf of all creditors of such banks, as plaintiffs, against all of said insolvent banks as defendants, for the purpose of declaring them insolvent and winding up their affairs as insolvent banking associations. Such proceedings shall be brought by the filing in the office of the Clerk of the Supreme Court of a complaint reciting briefly the facts as to the insolvency of each of such banks, and the name of the receiver or other officer in charge.

Upon the filing of such complaint the Attorney General shall issue a summons in the usual form of summons issued in actions in the district court of the State, and containing an additional statement to the effect that a Petition charging the bank in question with being insolvent is on file in the office of the Clerk of the Supreme Court, and that unless answer is made thereto within 15 days from such service such complaint will be taken as confessed. Such summons, however, as prepared for service on individual banks need only name as a defendant the particular bank upon which service thereof is to be made, and such service may be made upon any officer of such bank.

Service of such Summons may be made in the same manner as the service of summons in ordinary civil actions is made, and the Sheriff of the County in which the bank to be served is located shall upon request of the Attorney General immediately make service, or cause service thereof to be made, as in ordinary actions, but he shall not be entitled to collect any fees or expenses for making such service, and he shall make return thereof when served to theAttorney General.

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Sec. 4. Upon the Service of the Summons as aforesaid the defendant bank shall have fifteen days within which to serve and file an Answer denying insolvency, or any other material fact stated in the Petition and unless within such fifteen days such answer is served and filed the insolvency of such defendant shall be deemed confessed.

Sec. 5. Upon the taking effect of this Act the Supreme Court shall appoint a Court Commissioner who shall have all the qualifications prescribed by law for a Judge of the Supreme Court to whom it may refer any matters committed to the jurisdiction of the Court by this Act, who shall act for and on behalf of the Supreme Court in hearing evidence, finding facts and making orders in any matter arising in connection with the action or actions instituted in such court under the provisions of this Act.

Such commissioner may sit for hearing and determination of any question of law or fact that may arise in such action or actions at any place within the State, and any such hearing may be brought on upon reasonable notice given by the Commissioner to the party in interest of the time and place of such hearing, and in the exercise of the jurisdiction conferred upon him, said Commissioner may permit matters to be brought before him either upon ordinary notice served upon the parties or by order to show cause, according to the practice of the district courts.

Any decision of the Commissioner may be reviewed by the Supreme Court on the motion of any party aggrieved at such times and under such rules as the Court may prescribe, and unless objected to by motion to review as herein provided, the Court may deem the decision of the commissioner correct and without notice or application affirm the same.

Any party desiring to have a review of the decision of the Commissioner by the Supreme Court must within three days after the making of the same, if he is present personally or by counsel, or within three days after written notice thereof, if not present, file with the Commissioner a brief written statement of the grounds of his objection and containing the post office address of the party or his attorney upon which notice of hearing shall be served. Such statement shall be filed by the commissioner with the Clerk of the Supreme Court and Notice of the Hearing of Such Motion for review shall be given to the complaining party by letter addressed to him, or his attorney at the place named in such statement. The time of giving notice of such hearing to be fixed by rule or order of the Supreme Court.

Sec. 6. Such commissioner shall be paid out of the general funds of the State the same salary as is paid to Justices of the Supreme Court and may employ such clerical assisstance as shall be allowed by the Court, and shall be reimbursed by the State

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for all his actual expenses incurred in connection with the performance of his duties to be passed upon by the State Auditing Board as other claims against the State. Such Commissioner shall take the constitutional oath to perform his duties according to the Constitution of the United States and the State of North Dakota.

Sec. 7. The Supreme Court shall make rules and regulations from time to time governing the reference of matters to the commissioner and the exercise of his jurisdiction and powers and the manner and method of reviewing his decisions.

Sec. 8. Upon the filing of the Complaint aforesaid the Court shall appoint a Receiver, or two joint Receivers, of all said insolvent banks, which receiver shall have all the powers and authorities ordinarily possessed and exercised by receivers of insolvent corporations or prescribed by statute and the court shall have all the power and authority with regard to the administration and closing of the affairs of such banks as are ordinarily possessed and exercised by Courts of equity over the affairs of insolvent corporations. If upon a hearing on an issue raised by answer to the complaint, it shall be established that any Bank proceeded against is not insolvent, then the Receiver shall be deemed to have been a temporary receiver, and shall account and be discharged accordingly as to such bank, in all other respects the receiver shall be deemed to be a permanent receiver.

The Receiver so appointed by the Court shall supercede and supplant any receiver theretofore appointed by the banking department, or by any other court, or any examiner or officer of the banking department that may be in charge of any of such banks, but until the receiver appointed under this Act shall take possession of any such bank the receiver, or other officer already in charge, shall continue, and it shall be his duty to protect, conserve and administer its affairs to the best of his ability, and he shall remain liable under his bond for all his acts committed prior to being finally relieved of his trust.

Sec. 9. If during the life of this Act any other banking association shall be deemed insolvent by the authorities vested by law with the right to institute insolvency proceedings against the banks, and such authorities desire to institute such proceedings, they shall make report thereof to the Attorney General, with the necessary facts as to insolvency, and he shall file a complaint such as hereinbefore provided for, as to such other association or associations, as to which it is desired to institute proceedings, joining as many as is desirable in one proceeding; and the same proceedings shall be had thereon as is provided with reference to associations already insolvent, and the court shall thereupon in like manner appoint the same receiver, or receivers, for

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such additional association, or associations, and the original proceeding provided for herein, and all subsequent proceedings that may be taken as in this section provided shall be deemed to be merged and amalgamated into one proceeding, but the affairs of each association shall be kept separate.

Sec. 10. The Receiver appointed hereunder shall from time to time apply to the Commissioner for guidance and instructions and for the purpose of obtaining orders and directions with reference to the administration of the affairs or the disposition of the property of any of the Banks under his control, as receiver, in the same way and as far as may be practicable under the same course of procedure that receivers appointed by district courts apply to such district courts, and the receiver or any other parties aggrieved by any determination of the commissioner may apply to the Court for a review thereof, as hereinbefore provided for.

Sec. 11. At any time when the affairs of any bank under the receivership aforesaid are ready to be closed, the court shall fix the amount of the expense of the receivership properly chargeable to such bank.

Sec 12. So far as practicable, except as herein otherwise provided, and except as may be otherwise provided by the Court, the ordinary rules of procedure applicable to like actions in the district court shall govern the proceedings herein provided for; but the Court may from time to time prescribe such rules of procedure as it shall from time to time find best adapted to the furtherance of the general purpose of expeditiously and economically winding up the affairs of insolvent banks.

Sec. 13. The Commissioner appointed hereunder shall have power and authority to issue subpoenas for witnesses any place within the State, and to administer oaths and to punish for contempt, to the same extent as a Judge of the District Court, subject to a review of his decision by the Supreme Court, as in case of other decisions. At any time when district court is not in session in any county, in which the commissioner is holding a hearing, he shall have a right to take and use the court room of the district court, and he may call upon the Clerk of such District Court to act as his clerk, in issuing subpoenas, and may call upon the Sheriff of the County to act as his Court officer, and such officer shall perform such services without compensation.

Sec. 14. The Commissioner shall, as far as practicable, hold his hearings in the County in which the Bank interested is located, and as far as practicable and with fair regard to the convenience and interest of all parties, at the most accessible point within the County.

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Sec. 15. In all hearings before the Commissioner the parties procuring the attendance of witnesses shall be liable for their witness fees and mileage, as is allowed in district court, and the commissioner may make such order with reference to the payment of costs by the different parties as shall be just.

Sec. 16. The Supreme Court may from time to time as occasion shall require enter interlocutory or final judgments affecting the rights of particular parties to the proceedings without affecting the rights of any other party, and any judgment so entered in the Supreme Court may be at the request of any interested party transcripted to the district court of any county in the State where it shall be docketed by the Clerk of Court, and shall from the time of docketing be taken and considered as a judgment of such district court in all things the same as though originally entered, and it may be enforced as a judgment in such Court.

Sec. 17. There is hereby appropriated out of the general funds of the State the sum of $10,000.00 per year, or so much thereof as may be necessary to pay the salary of the Court Commissioner and the expenses incident to the performance of his duties hereunder.

Sec. 18. In case the Supreme Court shall be of the opinion that its original jurisdiction does not extend to the controversy or controversies referred to in this act, or if for any other reason the Supreme Court shall refrain from exercising its original jurisdiction with respect thereto, the proceeding shall not be dismissed, but all papers and files therein shall be transmitted to the Clerk of the District Court of Burleigh County, and that court shall be and is thereupon vested with full jurisdiction of such proceeding, and thereupon the Supreme Court, in the exercise of its supervisory jurisdiction shall designate some district judge to hear and try said controversy or controversies, and the judge so designated shall give precedence to such controversy or controversies over all other work and in the disposition thereof he shall be governed by the provisions of this act, and endeavor in every way to carry the same into effect. The District Judge so designated shall perform all of the duties which the act requires to be performed by the Court Commissioner, and in such case no court commissioner shall be appointed. In such case the acts of the District Court shall be subject to review by the Supreme Court in the same manner herein provided for review by the Supreme Court of the acts of the court commissioner. Provided that all acts of such district court performed under the provisions of this act, including the appointment of a receiver, shall be subject to the supervisory control of the Supreme Court. In case of the designation of a District Judge as herein provided for, all his necessary traveling expenses incurred in car-

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rying out the provisions of this act shall be paid out of the general fund of the state upon vouchers duly presented, as in other cases of the expenses of District Judges. In case of the designation of a District Judge as in this section provided, all further insolvency proceedings, in this act hereinbefore provided to be instituted in the Supreme Court, shall be instituted in the District Court of Burleigh County, and conducted in like manner.

In case of the designation of a District Judge as in this section provided for, the rules of procedure prescribed by the act for the Court Commissioner shall govern the procedure before such District Judge, and the Supreme Court shall likewise make necessary rules governing the conduct of such proceeding or proceedings.

Sec. 19. This Act shall expire and become inoperative for any purpose on the first day of July, 1926.

Approved March 6, 1923.

CHAPTER 138.

(S. B. No. 152—Bond.)

CONSOLIDATION OR MERGER OF BANKS.

An Act Authorizing the Consolidation or Merger of Banking Associations, Regulating the Proceedure and Providing for Supervision Thereof, and Providing a Limitation af Actions.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Sec. 1. Any two or more banking associations organized under the laws of this state, may consolidate their capital, assets, and liabilites, or one or more of such associations may be merged into another in the following manner:

Sec. 2. The term "consolidation" as used herein shall mean the consolidation of the liabilities, assets and corporate existence of two or more associations into a single association, which shall issue its stock to stockholders in the consolidating associations in return for the assets of the consolidating associations.

The term "merger" as used herein shall mean the taking over, or the absorption of the assets of one association by another, and the assumption of the liabilities of the association, or associations, whose assets and liabilities are taken over.

The term "old association" where hereinafter used means the associations which are consolidating or merging into the other association, and the term "new association" means the association into which the other associations are being consolidated or merged.

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Sec. 3. Whenever two or more banking associations shall desire to take advantage of this Act, the Directors of each thereof shall call a special meeting of the stockholders to act upon the proposed consolidation or merger. The Notice of such meeting shall definitely state the purpose for which it is called, or the matter may be acted upon at a regular stockholders' meeting, but in that event notice of the fact that the question of consolidation or merger will be considered shall be given to each stockholder by registered mail, addressed to him at his regular business address at least ten (10) days preceding the holding of such meeting.

Sec. 4. At such stockholders' meeting, the question of the proposed consolidation or merger shall be put to a vote, and each stockholder may vote thereon in person, or by proxy, the full number of shares of stock standing in his name on the books of the association. The question so put shall embody the proposed amount of capital stock of the consolidated or merged corporation, but the statement of such amount shall be only advisory, and may be varied therefrom, within the limits hereinafter prescribed, by the State Examiner; or Court, on passing on the question of consolidation or merger. The proposal for consolidation or merger shall be deemed lost, unless two-thirds of all of the stock shall vote in favor thereof.

Sec. 5. A consolidation shall not be permitted except upon condition that the new association have a capital of at least two-thirds of the aggregate capital of the old associations, but it may have a larger capital than that of the old associations.

Sec. 6. The several stockholders' meetings at which the proposed consolidation or merger is acted upon must be held at such times that the result of all thereof may be certified to the State Examiner within thirty (30) days from the date of the holding of the first of such meetings; and the result of each meeting must be certified to the State Examiner by the Chairman, and Secretary of the meeting within ten (10) days after the holding thereof.

Sec. 7. Upon receiving the certificates aforesaid, if they shall show favorable action by all of the associations concerned, the State Examiner shall cause a thorough examination of the condition of the said associations to be made with a view of determining whether their condition is such that the proposed consolidation or merger would result in a sound and efficient banking association adapted to the needs of the community in which it is proposed to operate.

Sec. 8. Upon completing such examination, the State Examiner shall advise each of the said associations of his findings

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as to whether a consolidation or merger is desirable; and in that connection, he shall indicate any changes, if any there be, in the condition of either of said associations that would make such consolidation or merger desirable, if not desirable on the conditions existing; and he may prescribe a time within which such changes in conditions may be made to warrant his approval.

If the finding of the State Examiner is adverse to the proposed consolidation or merger, the associations affected may informally appeal to the Banking Board for a review thereof, and the Board shall, as speedily as possible, set a time when it will hear any reasons that may be advanced why the findings of the State Examiner should be reversed; and upon such hearing, it shall make such order as seems proper in the premises.

Sec. 9. If the finding of the State Examiner, or the finding of the Banking Board, on appeal from his decision, is favorable to a consolidation or merger, either absolutely or upon conditions that were agreeable to the participating associations, each of such associations shall, by its Board of Directors, appoint one or more representatives to meet with the representatives of the other association, or associations, and they shall proceed to determine and make a schedule of the assets of each of the associations that shall be taken over by the new association, and they shall likewise schedule all the indebtedness of the old associations, and only such assets shall be retained by the old associations as the State Examiner shall deem not proper assets to be held by the new association. In case of consolidation, such representatives shall likewise agree upon the proportion of the stock in the new association that shall be accredited to the stockholders of each of the old associations, but the distribution of such stock among the stockholders of the several old associations shall be by the old associations as hereinafter provided for.

Sec. 10. The schedules aforesaid, and the agreement arrived at under the provisions of the last preceding paragraph shall be reduced to writing and signed in duplicate by the representatives of the old associations and shall be binding upon them and nonrevocable. If the several associations are unable to agree, no consolidation or merger shall take place. Upon the associations agreeing and signing the agreement as aforesaid, one of the duplicates shall be delivered to the State Examiner who may either approve or disapprove the same, or make suggestions for the modification thereof as a condition of approval, and he may fix a time within which the conditions shall be met, and likewise agreed to in writing are resubmitted to him.

And in this case likewise the association may informally appeal from the decision of the State Examiner to the Banking Board.

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Sec. 11. If the State Examiner, or upon appeal, the Banking Board shall approve the agreement, or modified agreement entered into as aforesaid, such approval shall be endorsed on the duplicate of the agreement in the possession of the State Examiner, and each of the associations shall be immediately notified of such approval.

Sec. 12. Upon receipt by the several associations of notice of the approval provided for in the last section, the associations seeking consolidation or merger, shall file in the office of the Clerk of the District Court of the County in which at least one of the associations is doing business, a petition asking for a decree of consolidation or merger, which petition shall give the names and location of the new association, and shall recite briefly the taking of the several successive steps hereinbefore provided for and a statement of the amount of the assets and indebtedness of each of the old associations to be transferred to and assumed by the new association, the amount of the capital stock, and the amount thereof to be apportioned to the stockholders of each of the old associations and the names of the first Board of Directors of the new association.

Sec. 13. Upon the filing of such petition, the Clerk of the District Court shall cause a notice to be issued which shall be substantially the following form:

State of North Dakota. In District Court.

County of..... .....Judicial District

In the Matter of the Application for Consolidation (or merger as the case may be) of The.....

Bank of.....and the.....

Bank of.....

The State of North Dakota to all Persons Whomsoever—Greeting:

Notice is Hereby Given that on the.....day of.....

19..... the above named banking associations filed in this office their petition, in form prescribed by law, praying a decree permitting them to consolidate (or merge, as the case may be) under the name of.....Bank, with its principal place of business in the.....of..... North Dakota.

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That the effect of such consolidation (or merger, as the case may be) will be to transfer the principal assets of the petitioning associations to the said.....bank of....., and to create a liability in the said last mentioned association to pay all of the debts of the said petitioning bank, and to establish a novation by the said petitioning banks, and creditors, and the said last mentioned bank.

That said petition will be heard by the Court at..... on the day of.....19....., or as soon thereafter as counsel can be heard, at which time all creditors of the petitioners are summoned and commanded to file their appearance in the office of the Clerk of this Court together with an Answer to said petition showing cause why such consolidation (or merger, as the case may be) should not be allowed.

.....

Attested by the Seal of the Court. Clerk of the District Court of .....County, North Dakota.

Such notice so signed and attested shall be published in some newspaper qualified to publish legal notices in the county in which such petition is filed once in each week for three (3) successive weeks and the last such publication shall be at least twenty (20) days preceding the date set for the appearance, and proof of such publication shall be made by affidavit filed in the office of the Clerk of the District Court as in other cases of publications of process.

Sec. 14. If at the end of twenty (20) days after the last publication, no appearance has been made in opposition to such petition, the Court shall at once upon the showing of the default, make its decree permitting the consolidation, or merger, as the case may be.

Sec. 15. In case opposition to such petition shall be made by any creditor, the Court shall order a summary and speedy hearing, in which the petition and answer filed with the appearance shall constitute the pleadings; and the burden shall be upon the objecting parties to show cause why the petition should not be granted and the only cause for denying such petition shall be that the objecting creditor is in danger of being substantially damaged in his financial rights; and in case any objecting creditor shall establish that he is in danger of suffering such substantial damage, the Court may order that the proceedings be stayed, and a bond of indemnity, to be approved by

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the Court, given to him conditioned that all his legal claims against any of the old associations will be paid when due by the new association, and upon the furnishing of such indemnity, the proceedings shall be considered as though no opposition had been made thereto.

And the Court shall accordingly enter its decree permitting the consolidation, or merger, as the case may be.

Sec. 16. The effect of a decree permitting consolidation, or merger, shall be to bar forever all objections thereto, and to establish a complete novation between the old associations, and creditors, and the new association to the end that from that time henceforth, the old associations are relieved of all liability to creditors, all such creditors having a valid and legal claim against the new association to the full extent that they had a claim against any of the old associations, and the new association is liable for all indebtedness of all the old associations to the same extent that they were liable, and all of the stockholders' liability, as stockholders, in the several old associations are merged into their stockholders' liability as stockholders in the new association.

Sec. 17. The decree of the District Court entered in the proceedings provided for in this Act shall be final and conclusive, not subject to appeal, nor to motion to vacate or set aside, and not subject to be set aside or vacated on motion for a new trial.

Sec. 18. No stockholder of any association affected by this Act who shall have voted in favor of consolidation or merger, or shall have refrained from voting shall be heard at any stage of the proceedings to object to the consolidation or merger but shall be deemed to have consented thereto, but any stockholder who voted against consolidation or merger may be heard at any stage of the proceedings, prior to the filing of the petition in Court, and may at any such time formally or informally, file objection and appear before the State Examiner, or the Banking Board, and show cause why the proposed consolidation or merger should not be allowed, but the determination of the State Examiner or the Banking Board shall be conclusive of his rights, and no action or proceeding in court shall be maintainable by any one questioning the validity of such consolidation or merger or to recover any thing on account thereof unless the same shall be commenced prior to the time of the entry of a decree of consolidation or merger, and the Court in which the petition for consolidation or merger is filed, or the appropriate federal Court shall have exclusive jurisdiction of such action or proceeding.

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Sec. 19. Upon the entry of a decree of merger, no further Act shall be necessary to be done, except to make the transfers of the assets from the old associations to the association into which they are merged, but in case of a consolidation, the decree of the Court shall specify the name and location, and the amount of the capital stock of the new association, and the proportions in which it shall be allotted to each of the old associations, apportioning the same in even hundreds of dollars. The decree shall also name the first Board of Directors, as set forth in the petition, or in case of the death or disability of any one or more of such proposed Directors, shall substitute another or others to be nominated by the petitioners.

A certified copy of such decree shall thereupon be filed in the office of the Secretary of State, accompanied by a fee of Five ($5.00) dollars, and such new association shall thereupon become a banking association in all things the same as though originally organized under the Banking Laws and the Secretary of State shall thereupon issue to it a certificate of authority, as in the case of the incorporation of other banking associations, which certificate should be delivered to the State Examiner to be in turn delivered by him to the said new association upon its being made to appear to him that all the terms and conditions of consolidation have been complied with.

Sec. 20. Immediately upon delivery of the certificate of authority by the State Examiner to the Directors of the Association, they shall meet and elect officers, and until the election of such officers they shall personally supervise and conduct the business of the new association.

Sec. 21. Upon either a consolidation or merger, as herein provided for, the old associations shall cease to operate as banking associations or to transact any business other than to administer any assets that under the terms of the consolidation or merger have not been transferred. They shall not elect any new officers or directors, but the Directors and officers holding at the time of the consolidation or merger shall continue and the corporation itself shall remain in existence for a period of one (1) year during which time its remaining assets, if any must be disposed of, and the proceeds distributed among its stockholders, and at the end of one year from the filing of the decree of consolidation or merger, the said old associations shall cease to exist, unless upon good cause shown, and before the expiration of the said period of one (1) year any of said old associations shall obtain from the Court an order extending the time of their existence, which order shall only be granted upon a showing of a substantial reason therefor.

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Sec. 22. In case of consolidation, upon the new association coming into existence, the Board of Directors of each of the old associations must furnish to the Board of Directors of the new association a statement of the amount of stock due to each of the stockholders in such old association which shall be the same proportion of the amount of stock in the new association, allotted to such old association, that the stockholders stock bore to the total outstanding stock of the old association, and the new association shall thereupon issue its stock to such individual stockholders of the old association. Provided, however, if the stock to which such stockholder is entitled does not consist of an even multiple of one hundred dollars, stock shall be issued to such individual stockholders entitled thereto for the even hundreds of dollars, included in the total amount, and there shall be issued by the new association a certificate in blank for the aggregate of the odd dollars of all such old stockholders in each of such old associations which certificate in blank shall be delivered to the Directors of the old association in trust for the use of its stockholders and if the apportionment of such interest in such blank certificate cannot be otherwise made, the Directors of such old association shall have authority to sell the same and divide the proceeds among the parties entitled thereto.

Sec. 23. The purpose of the Act is remedial, and it is intended to remedy a well understood condition existing in the banking business of the State of North Dakota, a part of which condition is the need of larger and stronger banking institutions, and the supplying of more efficient banking service, to various communities, and to the end that such conditions may be remedied to the utmost extent possible, this Act shall be in all things liberally construed, for the accomplishment of its ultimate purpose.

Approved February 27th, 1923.

CHAPTER 139.

(S. B. No. 144—Miklethun.)

BANK DEPOSITS.

An Act Relating to Deposits in Banks, and Trust Companies, and making it unlawful to make a charge against the same without the consent of the depositor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Sec. 1. It shall be unlawful for any bank, or trust company, with which money has been deposited, to charge against the deposit any claim of such bank or trust company or any other person, or to appropriate the same to the payment of any debt

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to such bank or trust company or any other person, without legal process or without the consent of the depositor.

Sec. 2. Any bank or trust company which shall so charge any claim against a deposit or in any way appropriate the same to the payment of a debt of the depositor, in violation of the terms hereof, shall be liable to the party aggrieved for any damages caused thereby to be recovered in a civil action.

Approved February 24, 1923.

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CHAPTER 198.

(H. B. No. 55—Lackey.)

PENALTY FOR VIOLATING DAIRY LAWS.

An Act to Amend and Re-enact Section 2861, Compiled Laws of North Dakota for 1913, Relating to Penalty for Violating Dairy Laws.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Sec. 1. AMENDMENT.) That Section 2861, Compiled Laws of 1913 of the State of North Dakota, be, and the same hereby is amended and re-enacted to read as follows:

Sec. 2861. VIOLATION CONSTITUTES MISDEMEANOR. PENALTY.) Whoever violates any of the provisions of this article, the punishment of which is not herein otherwise provided, shall be guilty of a misdemeanor, and upon conviction thereof shall be punished for each offense by a fine of not less than fifteen dollars nor more than one hundred dollars, or by imprisonment of not to exceed thirty days, or both.

Approved February 7th, 1923.

DEPOSITORIES

CHAPTER 199.

(H. B. No. 194—Hanson.)

DEPOSITORIES OF PUBLIC FUNDS.

An Act Designating the Depositories of Public Funds and Fixing the Minimum Rate of Interest; Requiring Competitive Bids for such Deposits; Providing for Publicity with Reference to such Funds and Depositories; Prescribing Penalties for Violation of this Act; Defining Terms used Herein, and Repealing Sections 147, 147a, 147b, and Sections 370 to 374, inclusive, Sections 1472 to 1488, Inclusive, and Sections 3315 to 3329, Inclusive, of the Compiled Laws of 1913, and Chapter 59, Session Laws of 1915, and Chapter 56 Session Laws of 1921.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Sec. 1. DEFINITION OF TERMS.) (a) The term "public Corporation" shall be construed to include counties, township, school districts, villages and cities, and all bodies corporate, except private corporations.

(b) The term "state" and "State institutions," shall be construed to include, respectively, the State of North Dakota

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and all penal, charitable, correctional, educational and industrial institutions, enterprises and business projects.

(c) The term "school district" shall include all common school districts, special school districts, independent school districts, consolidated school districts, and cities and other bodies politic or corporate, organized as school districts under a special law, or operating under a special law.

(d) The term "board," unless otherwise indicated, shall be construed to include the State Board of Auditors, the governing board of school districts as hereinbefore defined, the city council or commission in cities, the board of county commissioners, the board of trustees of villages, the board of township supervisors, the Board of Administration, the Workmen's Compensation Bureau, and any board or commission having control of state industries or enterprises.

(e) The term "clerk," unless otherwise indicated, shall include the clerks of school boards in common school districts, in consolidated school districts, in special school districts, the secretary of the board of education in independent school districts, the clerk or secretary of the school board in special school districts, the city auditor in case of school districts in cities organized under a special act or law, the county auditor in his capacity as clerk of the board of county commissioners, the clerk or secretary of the board of trustees in villages, the clerk or secretary of the board of township supervisors, the secretary of the Board of Administration, the secretary of the Workmen's Compensation Bureau, and the secretary or chief clerk of any board or commission having charge of state industries or enterprises.

(f) The term "public funds," unless the context otherwise indicates, shall be construed to include all funds derived from taxation, fees, penalties, sale of bonds, or from any other source which belong to and are the property of public corporations as defined in section one of this act. It shall include all sinking funds of public corporations, the state, and of state institutions, and all funds from whatever source derived and for whatever purpose to be expended of which public corporations, the state or state institutions have legal custody. It shall include the funds of which any board, bureau, commission or individual, created or authorized by law to have control of such funds as the legal custodian for any purpose whatsoever, whether such funds were derived from general or special taxation or the assessment of persons, corporations or individuals for a specified purpose, or from the sale of bonds.

Sec. 2. In counties where township organization is incomplete, the Board of County Commissioners shall perform all

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duties, with reference to the designation of depositories and the deposit of public funds, in townships in such counties which, if the townships were duly organized, would under the provisions of this act devolve upon the board of township supervisors.

Sec. 3. All funds of public corporations, and all funds of the state and of state institutions, as defined herein, shall be deposited in the Bank of North Dakota or in banks which have been duly designated as depositories of public funds as provided in this act. The treasurer of public corporations and the State of North Dakota and all persons by law charged with the custody of public funds, which, according to the provisions of this act, shall be deposited in depositories duly designated as provided herein, shall promptly upon receipt of such funds deposit the same in a duly designated depository in compliance with this act. Checks or drafts on funds deposited as herein provided shall be drawn by the legal custodian thereof in his official capacity only; and no checks or drafts on such deposits shall be paid or honored by such depository unless so drawn. Any person violating the provisions of this section shall be guilty of a misdemeanor, and shall, in addition thereto, be liable to the public corporation, the state, and any state institution, in a civil action for all damages caused or suffered thereby.

Sec. 4. Any state bank duly incorporated in this state under and pursuant to the laws governing the incorporation of banking corporations, and any national bank situated and doing business within the State of North Dakota, and the Bank of North Dakota, may be designated a depository of public funds by the proper board as herein defined. The board may select two or more banks in the same county as depositories, but if more than one bank be designated the board shall deal with the banks selected and designated impartially, both as to the deposit of funds and the withdrawal of funds and the requirement as to bonds. The board shall take into consideration in selecting and designating the depository or depositories, the condition of each bank and capital, surplus and general credit thereof.

Sec. 5. In counties where only one bank is located or functioning the board may designate such bank as a depository, or it may designate another state or national bank or banks within the state or the Bank of North Dakota as depository or depositories in the manner and upon the conditions provided in this act. In counties where there is no bank in existence or functioning the board may designate the Bank of North Dakota or any state or national bank or banks outside of such county and within the state as depository or depositories in the manner and upon the conditions provided in this act for the selection of depositories of public funds.

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Sec. 6. In no case shall the amount of county funds deposited by the county commissioners in any one bank exceed the combined capital and surplus of such bank. In counties where the deposits to be made by the county commissioners of county funds exceed the combined capital and surplus of all the banks in the county, qualified as depositories, the board of county commissioners may nevertheless deposit such county funds in banks within the county, upon the condition that such banks furnish a sufficient bond as required in this act.

Sec. 7. Before any deposit shall be made in any depository, except the Bank of North Dakota, by or in behalf of any public corporation, such depository shall furnish a bond payable to the public corporation making such deposit in an amount that shall at least equal the largest deposit that may at any time be in such depository; said bond shall be approved as to form by the state's attorney and as to amount and sufficiency by the board. If the board fails or refuses to approve any such bond the same may be presented to the Judge of the District Court, upon three days notice to the clerk of the board of the public corporation to which such bond was submitted, and in case of cities involving deposits of municipal funds, the city auditor, respectively, and the Judge shall forthwith proceed to hear and determine the sufficiency of such bond and may approve or disapprove the same as the facts warrant. If he approves such bond the said bank shall be declared a depository of the funds of such public corporation. The sureties on all bonds required by public corporations according to the provisions of this law shall justify as required by law in arrest and bail proceedings; provided, however, that in lieu of such personal bond, the board of public corporation involved may require such bank designated as a depository to file a surety bond for a sum equal to the amount of funds such bank may receive according to the provisions of this act. The bond, when approved, shall be deposited with the county auditor. This bond shall be a continuing bond and shall continue binding until the proper board of public corporation shall require a new or different bond, but in no case involving the deposit of funds of public corporations shall such bond be continued without a renewal thereof for a longer period than four years.

Sec. 8. The board except the State Board of Auditors shall at its regular meeting in July of each odd numbered year after the taking effect of this act assemble and examine all outstanding bonds and require new bonds whenever necessary in order to comply with the provisions of this law. If there be no regular meeting of the board in July required by any law heretofore in force, the board shall assemble for said purpose not later than the third Tuesday in July. At its first regular meeting in July after this act takes effect the board

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shall designate depositories of public funds as herein provided. The clerk of such board shall on the first day of July when this act takes effect, and thereafter, at least ten days before such meeting, notify every bank in the county, both state and national, that at the next regular meeting, or if no regular meeting be required by law, then at a meeting to be called for that purpose, the board will designate a depository or depositories of public funds. Such notice shall be given by registered mail. The notice shall further recite the probable amount of public funds to be deposited indicating separately sinking funds to be deposited on time and call funds to be deposited subject to check or draft; such notice shall advise the bank that proposals will be received for such deposits, and that the interest rate on such deposits shall be not less than two per cent (2%) or over three per cent (3%) on call deposits and not less than four per cent (4%) or over six per cent (6%) on time deposits. It shall further recite that the board expects the depositories to pay interest on public funds at substantially the same rate it pays interest on the funds deposited by private persons. Proposals for deposits shall be sealed and delivered to the clerk and shall state in writing what rate of interest will be paid on average daily balances during the month and what interest will be paid on time deposits, and shall have attached to it a statement showing the financial condition of the bank at that time and as disclosed in the several statements of financial condition made during the last preceding twelve months. This section shall not apply to designating of the depositories by the state Board of Auditors.

Sec. 9. The proposals for public deposits referred to in the preceding section hereof shall be by the clerk laid before the board at the meeting aforesaid, and shall be thereupon opened by such clerk in the presence of the board and the board shall thereupon proceed to designate a depository or depositories of public funds under its control.

Sec. 10. All funds of the state shall be deposited by the State Treasurer in the Bank of North Dakota and other banks within and without the state as is now provided by law. Depositories other than the Bank of North Dakota that are or may be required by law, shall be designated by the Board of Auditors acting in conjunction with the Governor. The Board of Auditors shall advertise in at least three daily newspapers published in this state, not less than thirty days prior to the meeting at which depositories are designated, for proposals; the proposals for the deposit of public funds shall state what interest will be paid on average daily balances of such funds as are subject to check and what interest will be paid on time deposits; the amount deposited in any one designated depository shall not exceed in any case, more than fifty per cent of its

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paid up capital and surplus. Interest on funds thus deposited shall be not less than two per cent or over three per cent on daily balances subject to check and not less than four per cent or over six percent on time deposits. Each bank thus designated as a depository shall continue as such until the order of the board designating such bank as a depository shall be revoked and new depositories designated. The Board of Auditors shall designate depositories at its regular meeting held and which shall be held on the second Tuesday in January of every even number year, and at such meeting the board shall re-examine conditions with respect to existing depositories and their bonds and make such new orders with reference thereto as the public interest may require.

Sec. 11. Every National Banking Corporation, designated as a state depository under the provisions of this act for the deposit of the funds of the state or of any state institution, shall be required to permit the examination and inspection by the State Examiner or of any report or reports made to the comptroller of currency, relative to the financial condition of such association. The State Examiner may also call for special reports from any such depository whenever in his judgment the same is necessary in order to obtain full and complete knowledge of the condition of the public funds therein deposited. If any National Banking Corporation fails to comply with a demand of the State Examiner for such inspection, as provided herein, the State Examiner shall certify that fact to the State Treasurer and also the board or boards having charge of the state institutions as herein defined, forthwith, and the State Treasurer shall immediately withdraw from the said depository all funds of the state deposited therein; and in case of deposits of the funds of state institutions in such a National Banking Corporation, the board having charge of such funds shall forthwith withdraw the same therefrom.

Sec. 12. Before any deposit shall be made in any depository other than the Bank of North Dakota by or in behalf of the state or of any state institution, such depository shall furnish a bond, payable to the State of North Dakota, in a penal sum that shall not be less than the largest amount on deposit with such depository at any one time; such bond, if required of a depository of the funds of a state institution, shall be approved as to amount, form and sufficiency by the board having control or charge of such institutions; when such bond is required of a depository of the funds of the state, it shall be approved as to amount, form and sufficiency by the State Board of Auditors and the Governor; all such bonds with the approval endorsed thereon, shall be filed like public documents with the Secretary of State; and after such depositories have been designated and such bonds have been filed and ap-

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proved, the Secretary of State shall certify to the State Treasurer, or treasurer of such institution or corporation, a list of depositories and the amount of deposit for which such depositee shall have qualified; provided, that if a depository of the funds of both the State and of state institutions so elects one bond may be sufficient, if the same otherwise comply with the requirements of this act and has the approval of the authorities designated herein; such bond, must, however, in all cases be in a penal sum that shall not be less than the total amount of funds belonging to the state and state institutions, that may at any one time be deposited in such depository.

Sec. 13. The rate of interest on all public funds deposited as herein provided shall not be less than two per cent (2%) or over three per cent (3%) on daily balances subject to check or draft, credited monthly, and not less than four per cent (4%) or over six per cent (6%) on time deposits. It is the intention of this act that depositories of public funds in this state shall pay substantially the same rate of interest thereon as such banks pay to individual depositors upon individual deposits.

Sec. 14. Each depository shall furnish to the public corporation, the state, or state institution, to whose credit the deposit is held, on the first day of each month, an itemized statement of amount in such deposits subject to check. Such statement shall be verified whenever required by the State Treasurer as to funds of the state or state institutions, or by the treasurer of any public corporation, as to funds of such corporations. All sums of interest accruing on funds so deposited shall be credited to said deposit on the first day of each month for the preceding month.

Sec. 15. All such public funds shall be deposited in the name of the state, state institution or public corporation to which the same belongs, and in case of public corporations, the treasurer shall, between the first and tenth day of the months of January, May and September in each year, publish once in some newspaper in the county the names of such depositories, the amount of money on deposit therein subject to check and on time deposit and the rate of interest thereon, and the amount of the bond furnished by each depository. The State Treasurer shall between the first and tenth day of January, May and September, in each year cause to have printed in pamphlet form a report, showing the balances in all funds, the names of all depositories of such state funds, stating the amount of average daily balances and the amount on time deposit therein, together with the rate of interest paid on each class of deposits, and the amount of the bond furnished by each depository, and mail a copy of said report to each depository, one to each county

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auditor and county treasurer in the state and one to each official county paper in the state. On each occasion when the state treasurer causes to be printed a report as herein provided, he shall cause to be published in the official paper in his county a public notice to the effect that such report is ready for distribution and can be had by any voter of the state upon request.

Sec. 16. This act shall not apply to public corporation and school districts unless the amount in the treasury of such corporation equals or exceeds the sum of five hundred dollars. The board of public corporations having on hand less than five hundred dollars, and therefore not within the provisions of this act, shall deposit all the funds of such public corporations and school districts nevertheless in some bank selected by the board thereof under such conditions and restrictions as shall seem adequate to such board to protect the public interest.

Sec. 17. To the extent that public funds are deposited as herein provided, the legal custodian thereof, and the sureties on his bond, shall be exempt from all liability thereof by reason of loss of any such funds from failure or other act of any such depository.

Sec. 18. Any person violating any of the provisions hereof shall be guilty of a misdemeanor, and shall be fined not less than twenty-five dollars ($25.00) nor more than one thousand dollars ($1,000.00) or imprisoned in the county jail not less than ten days nor more than six months or both for each offense.

Sec. 19. Any board, commission, bureau or individual having the legal custody of any public funds that do not expressly or by name come within the provisions of the preceding sections of this act, shall at least thirty days before its first meeting in each odd numbered year advertise in a newspaper for proposals for the deposit of such funds. A bond shall be required of the depository designated, and shall be approved by such board, commission, bureau or individual and filed with the county auditor or Secretary of State as hereinafter provided. Such bonds shall be filed with the county auditor if the funds deposited be the funds of a public corporation as defined in this act; it shall be filed with the Secretary of State if the funds deposited be the funds of the state or of a state institution as defined herein. The provisions of Sections 3, 4, 5, 6, 11, 12, 13, 14, 15, 16, and 17 of this act, with reference to the deposit of public funds in a duly designated depository, the drawing of checks or drafts thereon and the payment thereof, the penalties for violating such provisions as prescribed in Section three hereof, the bank or banks that may be designated

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and the consideration entering into such designation, the provision of section five, with reference to counties in which but one bank or in which no bank is located and functioning, the amount to be deposited in each bank designated, the contents of the notice that proposals will be received, including the probable amount to be deposited on time and subject to draft, and the minimum rates of interest on each class of deposits, the inspection of reports of national banking corporations by the bank examiner in which state funds or the funds of state institutions are deposited in case that the funds to be deposited under the previous section be the funds of the state or of a state institution as defined herein, shall govern insofar as applicable to the designation of depositories and the deposit of public funds therein by such board, commission, bureau or individual.

Sec. 20. REPEAL.) Sections 147, 147a, 147b, and 370 to 374, inclusive, Sections 1472 to 1488, inclusive, Sections 3315 to 3329, inclusive, of the Compiled Laws of 1913; Chapter 59 of the Session Laws of 1915; Chapter 56 of the Session Laws of the State of North Dakota for the year 1921, are hereby repealed; and all acts and parts of acts inconsistent with this act are hereby repealed.

Approved March 8th, 1923.

DEPOSITORS' GUARANTY FUND

CHAPTER 200.

(S. B. No. 250—Majority of Banking Committee.) Approved March 6, 1923

DEPOSITORS' GUARANTY FUND.

An Act to Amend and Re-enact Chapter 126 of the Laws of 1917, as Amended by Chapter 110 of the Laws of 1919 and as Further Amended by Chapter 21 of the Laws of 1921.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Chapter 126 of the Laws of 1917 as amended by Chapter 110 of the Laws of 1919 and further amended by Chapter 21 of the Laws of 1921 is hereby amended and re-enacted to read as follows:

Sec. 1. GUARANTY FUND COMMISSION. DEPOSITORS' GUARANTY FUND COMMISSION. ESTABLISHED. COMPENSATION. EXPENSE.) There is hereby established a Depositors' Guaranty Fund Commission of the State of North Dakota to be com-

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posed of five (5) members, viz: The Governor of the State of North Dakota, the Manager of the Bank of North Dakota, and three members to be appointed by the Governor of the State. All appointments to membership of said commission, whether to fill a vacancy or otherwise, shall be made by the Governor of the State of North Dakota from a list of names of nine men furnished by the banks directly affected by the provisions of this Act. All members of this commission shall be residents of the State of North Dakota and all members except the Governor shall have at least five years' experience in the management of some bank or banks located within the State of North Dakota. The present appointive members shall serve out the term for which they were appointed and each succeeding appointment except to fill a vacancy caused by death, resignation or removal of a member shall be for a period of three years. The Governor shall be the Chairman of said Commission, and the Attorney General shall be ex-officio the attorney for the Commission, and the State Treasurer shall be its Treasurer, and the Secretary shall be appointed by the Commission, and the Commission shall have power to fix the compensation of such secretary to be paid from the Depositors' Guaranty Fund, which shall not in any case exceed the sum of $2,000.00 per annum. The State Examiner may be appointed as such secretary. The members of the Commission, other than the Governor, shall receive for their services five ($5.00) dollars per day for the time actually served and their actual expenses incurred in the performance of their duties, the same to be paid out of the general fund of the State. Said Commission shall have the supervision and control of the Depositors' Guaranty Fund and shall have power to adopt all necessary rules and regulations, not inconsistent with law, for the management and administration of said fund.

Sec. 2. COMMISSIONERS. QUALIFICATIONS. OATHS AND FILING THEREOF.) The members of the Depositors' Guaranty Fund Commission, other than the Governor, shall take and subscribe the oath of office prescribed by the Constitution, and shall take oath to keep secret all the facts and information obtained in the performance of their duties in like manner as is provided for the State Examiner in the State Banking Laws, and subject to like penalties, and each shall be bonded to the State of North Dakota under the State Bonding Act as elected State Officers, in the amount of ten thousand ($10,000.00) dollars. The Secretary and all other persons appointed shall take the oath herein prescribed, and be bonded under the State Bonding Act, in amount fixed by the Commission, in no event less than ten thousand ($10,000.00) dollars. The oath of office of each of such Commissioners and persons appointed by them, shall be filed with the Secretary of State.

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Sec. 3. DEPOSITORS' GUARANTY FUND COMMISSION. REGULAR MEETING. DATES FIXED. SPECIAL MEETINGS. HOW CALLED. WHERE HELD.) The Depositors' Guaranty Fund Commission created by the provisions of this Act shall hold at least four meetings during each calendar year at stated intervals as follows, to-wit: On the second Tuesday in January, April, July and October, provided that other meetings of the Commission, may be convened upon written request by any two members of the Commission, served upon the chairman of such Commission, who shall upon receipt of such request give notice to the Secretary of the date when a meeting shall be held in accordance with such request, and the Secretary shall in turn give notice thereof to all members of the Commission of the date of such meetings so to be held, as hereinafter provided; and provided further, that whenever a condition exists affecting the general banking business within the state, or when there is sufficient matter in the office of the Secretary entitled to receive consideration and disposition by the Depositors' Guaranty Fund Commission, as contemplated, herein, or when in the opinion of the Secretary it is advisable to convene such Commission for counsel and direction on contingencies that may arise that would tend to prevent best results from being obtained hereunder as contemplated herein, it shall be within his power to convene the Commission and to that end forthwith give notice of the date of such meeting to all members of the Commission. All meetings of the Depositors' Guaranty Fund Commission shall be held at the Capitol of the State, except that meetings may be held elsewhere within the State by consent of the majority of the members of the Commission.

Sec. 4. DEPOSITORS' GUARANTY FUND COMMISSION. SPECIFIC DUTIES.) It shall be the specific duty of the Depositors' Guaranty Fund Commission to pass upon the qualifications of each and every bank for admission under the Depositors' Guaranty Fund and their actions shall be final, both as to immediate admission or what shall be further required of any bank in order to place it in a condition satisfactory to the Commission so that it may be admitted later. When the conditions of any bank heretofore admitted under the Depositors' Guaranty Fund becomes such as to cause the State Examiner to doubt the advisability of permitting it to continue in business, it shall be within his power to require the advice and opinion of the Commission and for that purpose a meeting of the Commission may be called.

Any regular or called meeting of the Depositors' Guaranty Fund Commission as herein provided, at which there is not a full attendance of the membership, it shall be optional with a quorum whether or not any business shall be transacted, and

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such quorum may adjourn from time to time until such time as there shall be a full attendance.

Sec. 5. GUARANTY FUND. ASSESSMENT.) For the purpose of providing a Depositors' Guaranty Fund for the protection of depositors in banks, every institution engaged in the business of banking under the laws of this state, shall be subject to assessment to be levied, collected, administered, kept and applied as hereinafter provided.

The Guaranty Fund Commission shall appoint two persons skilled and experienced in bank accounting to be known and designated as inspectors, who shall take and subscribe the oath of office prescribed by the constitution, and shall take oath to keep secret all facts and information obtained in the performance of their duties, in like manner as is provided for the State Examiner in the State Banking Law, and subject to like penalties. Which two inspectors shall be paid out of the funds appropriated for the conduct of the State Examiner's office, the same salaries that are paid to deputy state examiners.

Provided, however, if the Guaranty Fund Commission is unable to procure the services of inspectors, who, in their judgment, possess the requisite skill and ability as bank accountants, it may pay to either or both of such inspectors, from the funds of the Depositors' Guaranty Fund, such additional compensation, as in its judgment, is necessary, not in any case exceeding Four Thousand ($4,000.00) dollars per year for any such inspector.

If at any time the amount of work involved in the performance of the duties of the Guaranty Fund Commission, as aforesaid, shall be such as to require, in its judgment, more than two inspectors, it shall have authority to appoint not to exceed two assistant inspectors who shall take like oath, and who shall be paid a salary of not to exceed Two Hundred ($200.00) Dollars per month; which payment shall be made out of the monies of the Depositors' Guaranty Fund.

Every inspector or assistant inspector who makes an examination of the affairs of a bank, shall make a full report of the result of his examination, with comments upon the condition of the bank examined, to the Secretary of the Commission and the State Examiner, who may accept and adopt the examination and report of any such inspector or assistant inspector, in lieu of an examination by one of his deputies; in which case the Guaranty Fund Commission shall pay over to the State Examiner, the charge made for such examination, to the amount that would be legally chargeable for such examination, if made by the State Examiner's office, less the expense of the inspector in connection with such examination; and the amount so collected by the State Examiner shall be accounted for and cov-

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ered into the same fund as collections made for the examination of banks by the State Examiner.

It is the purpose and intention of this Act that the work of the inspectors made available to the State Examiner, shall be of the same value to him as the examining work of at least two deputy state examiners, and that the examining force of the State Examiner's Department may be kept correspondingly smaller.

Sec. 6. The Guaranty Fund Commission may from time to time establish rules and regulations as to the payment by banks of the expense of making examinations by its inspectors, but no charge shall be made against any bank for such examination in excess of the amount of Ten Dollars ($10.00) per day for the services of an inspector, together with his actual traveling and hotel expenses, and it shall have authority to remit all or any part of the per diem and expense charges against any bank, having at all times due regard to whether the affairs of such bank were such as to have warranted an examination; except that where an examination is adopted by the State Examiner, a charge must be made equal to that allowed by law for an examination of such bank by the State Examiner. Any charges made for examinations not adopted by the State Examiner and not rebated, as aforesaid, shall be kept and retained by the Guaranty Fund Commission for the payment of the salaries and expenses of the inspectors, and any deficiency in such salaries and expenses, after applying such fees, shall be paid out of the Depositors' Guaranty Fund.

Sec. 7. Upon the taking effect of this Act, the Commission shall take the necessary steps to become informed, and to thereafter keep informed as to the financial condition and management of all banks that have been admitted under the Depositor's Guaranty Fund, for the purpose of determining whether the interests of said Guaranty Fund or of the depositors in any of the banks protected thereby, are endangered or likely to be endangered by the further guaranteeing of the deposits of any bank.

Sec. 8. For the purpose of acquiring information as to the condition of any such banks, the Commission, by its members or its inspectors, as provided for in this Act, shall have full access to all the records and files of the Banking Department of the State; and it shall also, by its members or its said inspectors, have full power and authority to enter into any bank admitted under said Fund, at any time, and take charge of its assets, papers, documents and records, for the purpose of examination and investigation, during such time as shall be necessary for the purpose of auditing its affairs, and ascertaining its condition and its methods of conducting business; and either the individ-

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ual members of the Commission or the inspectors of the Commission shall have power and authority to call and put under oath, and examine any officer, stockholder or employee, creditor or debtor of any bank, in connection with the examination of its affairs, or to obtain explanation of anything connected with its business, records or management; and in case of the refusal of any such person to appear for the purposes of examination, any Judge, Clerk of Court, or Justice of the Peace, within the jurisdiction of whom such bank is located, shall upon request of such Commissioner or inspector, issue a subpoena for such person, commanding him to appear at a time and place stated, and to submit to such examination, and answer questions and sign his testimony, if reduced to writing, and if any person so subpoenaed shall fail to appear or to obey such order, the Judge of the Court from which such subpoena is issued, or the Justice issuing the same, shall have authority and jurisdiction to punish such person for contempt. The testimony so taken may be, by the Commissioner or inspector, reduced, or caused to be reduced, to writing, and at his direction shall be subscribed by the person examined.

Whenever any member of the Guaranty Fund Commission shall acquire information leading him to believe that the condition of any bank is such that an immediate examination of its affairs should be made, he shall have authority to immediately order an inspector or assistant inspector to enter upon an examination of the same, and if he deem it necessary, he may call upon the State Examiner to furnish a Deputy Examiner to work with such Inspector, and the two officers shall as far as practicable co-operate in the examination of such bank.

Amended 1927- Ch. 131, S-9

Sec. 9. Whenever the Commission shall acquire information leading it to believe that any bank admitted under such Fund is being irregularly or inefficiently, or dishonestly conducted, or is insolvent, as that term is defined by the Banking Laws, it shall be its duty to investigate the same as promptly as possible as in Section 8 hereof provided; and at any time during the progress of such investigation if it appears that such bank is probably insolvent, such commissioner or inspector shall have authority to make an order requiring all deposits received during such examination to be set aside and held intact as "Special Deposits," which shall only be used to reimburse the depositor; and if at the close of such examination the commissioner or inspector shall find such bank to be insolvent within the meaning of the Banking Laws, he shall have authority to extend such order for such further period as shall be necessary to enable the Commission to meet and take action with reference to the affairs of such bank; but such meeting and action must be taken within thirty days from the time of extending such order. Upon completing such examination, such commissioner

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or inspector shall immediately prepare a report of the result thereof, and submit the same to the Commission and the State Examiner.

If from such report it shall appear to the Commission that the bank is insolvent within the meaning of the Banking Laws, it shall have authority to immediately institute a proceeding in the district court of the county in which such bank is located, (or in any other court that may be by any law then in force, given jurisdiction of such proceeding) to liquidate such bank as an insolvent corporation, and procure the appointment of a Receiver to wind up its affairs, as provided for by Article 3 of Chapter 27 of the Code of Civil Procedure, and the general equitable jurisdiction of courts of equity to appoint receivers and wind up the affairs of insolvent corporations; or if by any law then in existence the exclusive right to institute such proceedings shall be vested in any particular officer or Board, the Commission shall certify the facts to such officer or Board, as the case may be, who must thereupon institute such proceedings.

In lieu of instituting such proceedings, the Commission may, in its discretion, permit such bank, within a time to be prescribed by it, to comply with such conditions as the Commission shall deem necessary to make it a solvent institution, but as a condition of granting such time, such bank must, by a resolution of its directors, endorsed on its minutes, consent to the continuing of the order aforesaid limiting the right to receive deposits, and to such continued supervision of its affairs as the Commission shall prescribe. The granting of such time to said bank to remedy its condition shall not abridge or limit the right of the Commission to institute such court proceedings, at any time it shall appear to its satisfaction that such bank is hopelessly insolvent, or unable to comply with the conditions prescribed.

Provided, however, the pendency of any proceedings for the liquidation of any such bank shall not be a bar to its reorganization or continuance as a banking institution, but at any time before the final disposition of such proceedings, such bank may make application to the Guaranty Fund Commission for leave to reorganize or remedy its condition, and be re-admitted under the Guaranty Fund, and the Commission may thereupon prescribe the conditions as to assets, payment of liabilities, and the character and competency of the managing officers to be placed in charge of the affairs of such bank upon which it may be re-admitted to said Guaranty Fund, which condition shall be submitted to the Court having jurisdiction, and if it approves thereof, it may make an order to that effect, and thereupon and upon such bank complying with the said conditions to the satisfaction of the Guaranty Fund Commission, it shall make an order re-admitting the said bank, and the liquidation proceedings shall

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be thereupon discontinued on such terms as the Court shall direct; but no deposits shall be received by such reorganized bank until final approval of the Court is had, and the said proceedings actually dismissed. All expenses incident to such proceedings incurred by the Commission shall be presented to and audited by the State Auditing Board, and be paid out of the General funds of the State, and there is hereby appropriated for the purpose of meeting such expenses, the sum of one thousand dollars per year, or so much thereof as shall be necessary.

Sec. 10. FILING STATEMENTS. ASSESSMENTS.) On June 30th of each year, every state bank engaged in the business of banking in this state shall make and file with the Depositors' Guaranty Fund Commission, a statement in writing, verified by the oath of its president, vice president or cashier, showing the average daily deposits in its bank for the preceding twelve (12) months.

Immediately after the date fixed for the making and filing of such statements, the Depositors' Guarantee Fund Commission shall levy assessments against the assets of each of said banks as follows:

One-twentieth of one per cent on the average daily deposits as shown by the statement of such average daily deposits to be made and filed by the provisions of this section.

For each and every year thereafter one-twentieth of one per cent of the average daily deposits as shown by the statement required to be made and filed under the provisions of this Act in each year, until the total amount of money in the Guaranty Fund reaches two per cent of the average daily deposits; provided, however, that said Depositors' Guaranty Fund Commission shall have power to make and levy additional assessments of one-twentieth of one per cent, but not to exceed four such additional assessments shall be made in any one year.

Due and legal notice of such assessment or assessments shall be deemed to have been given when such notice as shall be prepared by the Secretary of the Commission has been placed in an envelope, securely sealed, and postage prepaid, directed to each of said banks and deposited, in the United States mail, and said banks shall thereupon set apart, keep and maintain in their said banks the amounts thus levied against them and the amounts shall be and constitute what shall be designated as the Depositors' Guaranty Fund, payable to the Depositors' Guaranty Fund Commission on demand, for the uses, and purposes provided. Provided that when the Depositors' Guaranty Fund reaches the total sum of two per cent of the average daily deposits, said assessments shall cease until such time as the Guaranty Fund is depleted below one and one-half per cent of the average daily deposits, when the necessary assessment may

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be again levied at one-twentieth of one per cent per annum until said fund again reaches two per cent of the average daily deposits.

The Guaranty as provided for in this Act shall not apply to a bank's obligation as endorser upon bills re-discounted nor to bills payable, nor to money borrowed from its correspondents or others, nor deposits otherwise secured; nor deposits upon which compensation in any manner or form or by whatever device, has been promised or paid in excess of the rate of interest as limited in this act. All other deposits for which money or its equivalent, and for which full value has been received by the bank wherein such deposit is made, shall be guaranteed by this Act. Each guaranteed bank shall certify under oath to the Depositors' Guaranty Fund Commission at the date of statements as hereinbefore provided, the amount of money it has on deposit not eligible to guaranty under the provisions of this Act, and in assessing such bank this amount shall be deducted from the total deposits.

Sec. 11. INTEREST ON DEPOSITS.) No bank transacting a banking business under this Act shall pay interest on deposits, directly or indirectly at a greater rate than four per cent per annum, unless authorized by the Depositors' Guaranty Fund Commission to pay a greater rate which in no case shall exceed six per cent per annum, and said Depositors' Guaranty Fund Commission is hereby authorized and empowered to grant permission to pay such higher rate; provided, that the rate so granted shall be uniform within any county.

Any officer, director or employee of any bank violating the provisions of this section, directly or indirectly, shall be deemed guilty of a felony and on conviction thereof shall be punished by a fine of not less than one hundred dollars nor more than five hundred dollars or by imprisonment in the state penitentiary for a term of not less than one year nor more than three years or both, in the discretion of the court.

Sec. 12. FALSE STATEMENTS. PENALTY.) Any person making oath to any of the statements herein required, knowing the same to false, shall be deemed guilty of a felony and be punished by a fine of not less that three hundred dollars nor more than one thousand dollars, or by imprisonment in the state penitentiary for a term of not more than five years or both, in the discretion of the court.

Sec. 13. VOLUNTARY LIQUIDATION OR CHANGE TO A NATIONAL BANK.) If any bank desires to go into voluntary liquidation or change to a National bank before the assessment provided for in section ten becomes due and payable, the provisions of this Act shall not relieve said bank from the payment of any assessments then due from it to the Depositors' Guaranty Fund,

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nor from any liability to become due on account of losses in banks which are closed at the time such bank applies to liquidate or change into a National bank.

Sec. 14. NEW BANKS AND REORGANIZED NATIONAL BANKS.) Any bank organized under the state law, subsequent to the taking effect of this act, and admitted by the Commission to participation under the Depositors' Guaranty Fund, shall pay into such fund an amount equal to three per cent of its capital stock, which amount shall constitute a credit fund subject to adjustment on the basis of said bank's average daily deposits as shown by the first annual statement required by Section 10 of this article. And any National bank that has reorganized as a State bank, shall likewise before engaging in business, set apart and credit to the Depositors' Guaranty Fund such an amount as will place them on an equal footing as respects such fund, with other State banks.

Immediately after being passed upon favorably by the Depositors' Guaranty Fund Commission, the Secretary shall notify such new banks and the State Examiner of such admission, which notification shall be in writing, in the form of a certificate, signed by the Chairman and attested by the Secretary of the Commission. Such certificates shall be by the Bank receiving the same framed and kept at all times displayed in a conspicuous place in the lobby of the bank.

The Depositors' Guaranty Fund Commission is authorized and empowered to make an adjustment of the rates of assessment to be paid by any bank which engages in the banking business subsequent to the passage, approval and taking effect of this Act, which shall have been admitted hereunder and shall require such bank to contribute to the Depositors' Guaranty Fund, a just and equitable sum, and for that purpose shall adjust assessments of such bank so that the first two assessments together with the credit fund of three per cent of the capital stock paid by said bank when it begins business, shall at least equal one-half of one percent of the average daily deposits of said bank as shown by the first annual statement required by section ten of this article.

Provided, however, that said three per cent will not be required of the new banks formed by the reorganization or consolidation of banks that have previously complied with the terms of this Act with reference to the payment of assessments.

Sec. 15. ASSESSMENT. FAILURE TO CREDIT.) Whenever any bank, after due notice from the Secretary of the Depositors' Guaranty Fund Commission shall fail to pay over or credit on its books to the Depositors' Guaranty Fund any assessment as herein provided, for a period of twenty days, such bank shall be subject to a penalty of ten ($10.00) dollars per day for each

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day it so refuses or fails to pay over or credit to such Depositors' Guaranty Fund such assessment and penalty, and at the expiration of thirty days from the date of notice of assessment herein provided if said assessment and penalty still remains unpaid, the bank so delinquent may be deemed insolvent, and in the discretion of the Commission may be liquidated and its business wound up as provided for by the State Banking Laws for the liquidating of insolvent banks.

Sec. 16. (Depositor's Guaranty Fund. First Lien. Exception.) Whenever any bank doing business in this state under the provisions of this Act shall suspend payment or become insolvent, the amount of money standing to the credit of the Depositors' Guaranty Fund on deposit in such bank shall be a first lien upon the assets of such institution; save and except funds deposited in such institution and belonging to the estate of any insolvent bank, deposited therein by the Receiver or other person officially in charge, which shall have preference over all other claims.

Sec. 17. (Deposits. Payment. Approval or Rejection of Liability. Issuance of Certificates of Indebtedness.) When any bank doing business under the provisions of this Act suspends or becomes insolvent and shall have closed, the Commission shall, without unreasonable delay, cause each deposit in such closed bank to be examined, audited and shall determine such as may be qualified for guarantee under this Act and certify the acceptance or rejection of each deposit to the Secretary of the Commission, who shall give notice, by registered mail, to the persons whose deposits have been rejected, at their last known post office address, or to each thereof, in care of the Receiver of such closed bank. The action of the Commission in certifying acceptance or rejection as herein provided shall be final unless, within ninety days from date of mailing notices of rejection, written demand for hearing is served upon the Secretary of the Commission.

Sec. 18. The Commision shall make rules and regulations and shall prescribe the manner by which proof of claims of depositors for allowance of claims guaranteed under this Act shall be made, and shall designate the form and manner of verification of such proof of claim.

Sec. 19. The Commission may provide for hearing upon rejected claims, either before the Commission or any member thereof, or a referee to be appointed by the Commission, at the State Capitol, or elsewhere within the State upon majority vote of the Commission.

Sec. 20. At any hearing where testimony is taken the Commission or its referee shall have authority to administer oaths

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and may require a stenographic report to be taken and transcribed, or the testimony reduced to writing and subscribed by the witness. The Commission shall after hearing upon such rejected claims enter their order determining whether such rejected deposits shall be finally rejected or allowed as guaranteed.

Sec. 21. The Secretary of the Commission shall issue a Certificate of Indebtedness upon the Treasurer to the person entitled thereto for the amount of all such accepted deposits.

If there be not sufficient funds available in the fund to pay such Certificate of Indebtedness, the Treasurer shall endorse the same "presented for payment" and date and sign such endorsement, and such Certificate shall thereafter be payable out of money in the Guaranty Fund, by order of the Commission, pro rata, upon all outstanding Certificates of Indebtedness. Notice of the amount of each dividend to be paid upon such certificate, and the date when such payment is to be made, shall be published in a newspaper in the place where the closed bank was located. If no newspaper is published at the place where such closed bank was located, then such notice shall be published in an official newspaper of the county wherein such bank was located. Notice shall be published in like manner of the date upon which payment of any balance due on such certificate of indebtedness will be made.

Sec. 22. SUBROGATION.) To the extent of the deposits accepted and allowed as guaranteed, the Depositors' Guaranty Fund Commission, for the use and benefit of said Fund, shall be subrogated to all the rights of such guaranteed depositors thus accepted, to participate in the assets of such closed bank, and the same shall be enforced and collected by the Secretary of the Commission accordingly; and from time to time as collected shall be distributed pro rata as payment upon the certificates of indebtedness issued to the guaranteed depositors of the closed bank from which such payment had been received, until full payment is made to the holder of such certificate. Any surplus remaining after payment in full to holders of such certificates shall be turned into the depositors' guaranty fund and be thereafter held and distributed as herein otherwise provided.

All monies received shall be deposited in the solvent banks subject to the provisions of the Depositors' Guaranty Fund, proportionate as to the several deposits to the assessment levied against each of said banks.

Sec. 23. REPORTS.) The receiver or other official in charge of any suspended or insolvent bank, possession of which has been taken under the provisions of this Act, shall make to the

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Depositors' Guaranty Fund Commission not less than one report quarterly, according to such form as may be prescribed, such report to be verified by his oath.

Sec. 24. NOTICES NOT OTHERWISE PROVIDED FOR.) Whenever notice is required by the provisions of this Act, and such notice is not otherwise provided for as to form or manner of service thereof, the same may be served in the manner now provided for the service of summons in civil action, or by registered mail, and an affidavit of such mailing of such notice by the person giving or serving same, shall be prima facie evidence of the service of such notice.

Sec. 25. FORMS. APPROVAL.) The Depositors' Guaranty Fund Commission shall prescribe all such forms as may be useful, or necessary in carrying out the provisions of this Act.

Sec. 26. PUNISHMENT. WHERE NOT OTHERWISE PROVIDED.) Where no other punishment is provided herein, any person violating any of the provisions of this Act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than fifty ($50) dollars nor more than three hundred ($300) dollars, or by imprisonment in the county jail for not less than thirty nor more than ninety days, or both, in the discretion of the court.

Sec. 27. SAVING CLAUSE.) Nothing in this act contained repealing any act for the regulation or conduct of banking, shall be construed, to release any person from punishment for any acts heretofore committed violating said act or acts nor affect in any manner any existing indictment or prosecution by reason of such repeal; and for that purpose such acts shall continue in force and effect notwithstanding such repeal.

Sec. 28. FEDERAL GUARANTY LAW.) Whenever by Act of Congress or by decision of the Federal Court, or departmental construction of the National Banking Act, National Banking Associations located and doing business within this State are permitted to avail their depositors of the protection of the Depositors' Guaranty Fund, established by the law of this State for the re-payment of deposits in closed banks, such association, after examination at its expense by the Commission, as in this Act provided for State Banks and, upon its approval as to its financial condition by the Commission, may participate in the assets and benefits of the Depositors' Guaranty Fund upon terms and conditions in harmony with the banking law of this state to be fixed by the said Depositors' Guaranty Fund Commission, provided that in the event national banking associations shall be required by federal enactment to pay assessments to any Depositors' Guaranty Fund of the Federal Government

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and thereby the Depositors in such association in this state shall be guaranteed by virtue of the Federal laws, the association having availed themselves of the benefits of this Act, may withdraw therefrom and have paid to them the unused portion of all assessments levied upon and paid by such association.

Sec. 29. UNAPPROPRIATED ASSESSMENTS REFUNDED. WHEN.) If any bank organized under the laws of this State, having paid any assessment or assessments to the Depositors' Guaranty Fund shall liquidate and go out of business, or shall desire to organize as a national bank and withdraw from the protection of the Depositors' Guaranty Fund for its depositors the portion of such assessment or assessments, which shall not have been used under the provisions of this Act shall be refunded to any bank by the Depositors' Guaranty Fund Commission. Provided, that no such bank shall be released from its proper proportion of all outstanding certificates of indebtedness of the Depositors' Guaranty Fund, issued to the depositors of failed banks under the provisions of this Act, nor until it shall have received permission in writing so to do from the Depositors' Guaranty Fund Commission of this State and after an examination of its condition.

Sec. 30. MAY RESUME BUSINESS.) Such bank or trust company may upon re-payment of any money advanced by the Depositors' Guaranty Fund to such bank or trust company, with the consent of the Depositors' Guaranty Fund Commission resume business upon such conditions as may be approved by said Commission.

Sec. 31. DEFINING BANKS AND BANKING FOR THE PURPOSE OF THIS ACT.) For the purpose of this act every corporation, except national banks whose business, in whole or in part, consists of the taking of deposits or buying and selling exchange shall be held to be and is hereby declared to be a bank, and as thus defined shall be subject to the provisions of this act, provided further, that trust companies doing a general banking business as defined in this section separate and apart from the writing of surety bonds and other general business, and building and loan associations receiving savings deposits, shall be declared to be a bank and shall also be subject to the provisions of this act.

Sec. 32. ORGANIZING.) Any banks organized and authorized to do business under the provisions of the State Banking Laws on and after the passage, approval and taking effect of this act shall sell the capital stock thereof at three ($3.00) dollars per share above par and the amount received as a result of such advance shall be credited on the books of such bank to the Depositors' Guaranty Fund as hereinbefore provided.

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Sec. 33. The Depositors' Guaranty Fund Commission shall have the right and authority to examine, by any member or inspector, the affairs of closed banks and investigate the conduct of the receivership thereof and make report thereon to the Commission.

Sec. 34. There is hereby appropriated out of the Depositors' Guaranty Fund twenty thousand dollars ($20,000.00) per year, or so much thereof as shall be necessary to meet the expenses of the Guaranty Fund Commission herein provided for, and any amount of such appropriation not so used, shall be at the end of each year, covered into the said Depositors' Guaranty Fund.

The expenses of the Guaranty Fund Commission herein provided for shall be presented to the State Auditing Board for allowance, as claims against the State are presented, and when allowed, shall be paid as other claims against the State are paid.

Sec. 35. The term "Special Deposit" used in this Act shall be construed to mean, a deposit received in either cash, check, draft, or other common medium of exchange, but to be kept separate and apart from the general funds of the bank receiving the same; and to be kept on hand in the bank in cash, and not be considered as a part of its cash reserve; and not to be devoted to any purpose other than returning it on demand to the depositor; or permitting it to be withdrawn on order of the depositor, which order may be in the form of a check or other writing; and no part of such deposit shall be used, or the possession thereof parted with by the bank, except the checks, drafts, and other common mediums of exchange included in such deposits, shall be collected and converted into money as in the ordinary course of banking business, and the money so obtained, held in said deposit in lieu of such medium of exchange, and so long as the requirement of receiving Special Deposits continues, the full amount thereof must be kept on hand by the bank, except as paid out to, or on the order of the depositor; or deposited in a bank within the state, as a special deposit therein, as may be designated by the Commission or its Inspector and it shall be a Special Trust Fund not subject to claims of creditors of the bank.

Whenever the term "Commissioner" is used in this Act, it shall be deemed to mean a member of the Guaranty Fund Commission; and whenever the word "Commission" is used, it shall be deemed to mean the Guaranty Fund Commission.

Whenever the term "Fund" is used in this Act, it shall be deemed to mean the Depositors' Guaranty Fund.

Sec. 36. Any officer of any bank who shall receive any general deposit, while an order is in force, as hereinbefore pro-

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vided, as to the taking of Special Deposits, or who shall, while such order is in force, after the receiving of any such Special Deposits, mingle the same with the general funds of the bank or pay out, or use, or part with the possession of the same, except as in this Act provided, shal be guilty of a felony, and upon conviction thereof shall be punished by a fine of not less than One Thousand ($1,000.00) Dollars, or by imprisonment in the County Jail for a term of not to exceed one year, or by both such fine and imprisonment, or by being confined in the Penitentiary for not less than one, or more than five years; and in addition thereto, such officer shal be civilly liable to any depositor whose deposit shall be thus unlawfully diverted.

Sec. 37. If any section, provision, clause, sentence or part of this Act shall be declared violative of any "constitutional" provision, the Act shall be deemed and held to have been enacted independent of the part so declared unconstitutional, and any operative part thereof that may remain shall be nevertheless given full force and effect, to the end that the ultimate purpose of the Act shall be as far as possible accomplished; and if that part of the Act which permits the Guaranty Fund Commission to resort to the Depositors' Guaranty Fund to pay any part of the expenses incident to the performance of its duties as herein provided for, shall be declared invalid, it shall nevertheless be lawful for the Guaranty Fund Commission to employ the inspectors herein provided for, and pay their salaries and expenses, and to pay any other expenses herein provided for, out of their own funds, or out of the funds of individuals or banking corporations voluntarily contributed for that purpose; and the official character of such inspectors and their powers and authority shall nevertheless be, in all things, the same as though they were fully paid and compensated out of the funds sought to be appropriated for that purpose.

Sec. 38. TEMPORARY POWERS OF COMMISSION.) The Depositors' Guaranty Fund Commission shall have the power and authority to employ any of the funds under its control for the purpose of paying off the claims of Bills Payable holders in closed banks whenever in its judgment and sound discretion the security behind such Bills Payable is sufficient to pay the same in full, and leave a substantial amount of security of the kind and character that could reasonably be expected to be collected upon and liquidated within one year from the expiration of the time limit of this section.

The Commission is empowered to deposit funds in banks operating under this Act, temporarily in aid of open banks, in such amounts, and upon such terms and conditions, and upon such security as it may determine and designate. And such banks shall be required to conduct their affairs in accordance with and under the direction of the Commission until such

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temporary aid has been withdrawn. It shall require the consent of four members of the Commission before funds can be employed as provided for in this section.

This Section of this Act shall continue in force and effect until July 1st, 1927, unless sooner repealed, but at that time it shall expire and cease to be operative without any repeal and the powers and authorities conferred therein shall terminate without in any way limiting any other provisions of the Act.

Sec. 39. FORBIDDING CERTAIN ADVERTISING.) Any officer, director, stockholder, agent or employee, of a Bank whose deposits are guaranteed under the provisions of this Act, who shall state or represent in any advertisement, pamphlet, book, sign, or other manner, in writing or printing, that the deposits of such bank are guaranteed by the State of North Dakota shall be deemed guilty of a misdemeanor and on conviction thereof shall be punished by a fine of not less than one hundred ($100.00) dollars nor more than five hundred ($500.00) dollars.

Approved March 6th, 1923.

ELECTIONS

CHAPTER 201.

(H. B. No. 169—Kopp.)

ASSISTING ELECTOR TO MARK BALLOT.

An Act To Amend and Re-enact Section 988 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Disability of Electors in Marking their Ballots.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Sec. 1. AMENDMENT.) That Section 988 of the Compiled Laws of North Dakota for the year 1913 be amended and re-enacted so as to read as follows:

Sec. 988. In case of disability of elector, any voter, who declares to the judges of election or when it appears to the judges of election that he cannot read that by blindness or other physical disability he is unable to mark his ballot shall upon request receive the assistance of either his Father, Mother, Husband, Wife, Son or Daughter in the marking of his ballot; and no one assisting, under this act, any voter in marking his ballot shall give information regarding the same. The judges may in their discretion require such declaration of disability to be made by the voter under oath and they are authorized to

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Laws of North Dakota
1933

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BANKS AND BANKING

CHAPTER 92

(S. B. No. 210—Ingerson and Page.)

DEFINING AND REGULATING STATE BANKING ASSOCIATIONS

An Act Defining State Banking Associations and Regulating and Limiting the Power of Such Associations to Re-Discount, to Borrow Money, to Pledge Assets, Forbidding Contracts to Re-Purchase Assets. Providing Procedure for the Foreclosure of Pledges with Redemption Therefrom, Declaring Void Pledge Contracts in Violation of the Provisions of the Act, Providing a Penalty for Borrowing Money and Pledging Assets in Violation of the Act and Repealing Laws in Conflict.

Be It Enacted by The Legislative Assembly of the State of North Dakota:

§ 1. REDISCOUNTS, BORROWING, PLEDGING.] No State banking association, as defined herein, shall, directly or indirectly, either within or without the State, make any re-discount, or contract to borrow, or borrow money, or pledge or hypothecate, or contract to pledge or hypothecate any of its assets, except in accordance with the provisions of this Act.

§ 2. NORMAL AND EMERGENCY BORROWING POWER, LIMITATION.] Any State banking association, as defined herein, shall have power to contract to and borrow money as follows:

1. A sum equal to twenty per centum of its deposits without the prior authorization therefor by the State Examiner.

2. A sum in excess of the preceding limitation only after prior authorization by the State Examiner, granted upon the application of such banking association, for the following purposes only:

(a) Restoring depleted legal reserve, or in anticipation of such depletion within thirty (30) days,—

(b) to protect the assets of such bank,—

(c) to avert any other actual or imminent emergency which, in the judgment of the State Examiner, would be dangerous to the interests of such bank, or its depositors and other creditors.

Such authorization shall be granted by the State Examiner only after examination by him of the affairs of such banking association, and such authorization shall be granted and exercised under rules

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and regulations adopted, and orders prescribed by the State Banking Board. This section shall not apply to loans made before this act takes effect, nor to renewals thereof, nor to renewals of loans made hereunder.

§ 3. RATIO, PLEDGE, ASSETS.] It shall be unlawful for any State banking association, as defined herein, to pledge or hypothecate more than one and one-half dollars of the face value of any of its assets for each one dollar of money borrowed, excepting for money borrowed upon authorization of the State Examiner, who shall fix the amount and kind of assets which may be pledged or hypothecated for such purpose.

§ 4. RE-DISCOUNTS, CONTRACTS TO PURCHASE.] In addition to its power to borrow as herein prescribed, any State banking association, as herein defined, shall have power to incur liability in an amount equal to ten per centum of its deposits, upon endorsement of notes and bills re-discounted, but no liability or obligation upon endorsements in excess of such ten per centum of its deposits shall be binding upon such association, and it shall have no power to incur any obligation or liability to re-purchase loans and discounts, bills receivable or other assets disposed of by it. The State Examiner, under rules and regulations prescribed by the State Banking Board, shall have power to increase the limit of liability upon endorsements by such State banking associations upon notes and bills re-discounted as in his judgment seems best. The discount of bills of exchange, drawn in good faith against agricultural products, raw or manufactured, and other commodities of trade, in transit, shall not come within the provisions hereof.

§5. DIRECTORS AUTHORIZE. OFFICERS EXECUTE. RECORD.] Every State Banking association as defined herein, shall, prior to the borrowing of money, or re-discounting bearing endorsement, receive approval by action of its Board of Directors, to be evidenced by resolution recorded upon its minute book, and no banking association shall have power to contract and to pledge or hypothecate any of its assets without resolution of its Board of Directors authorizing the same, spread upon its minute book, and each proposed loan, either with or without security, or re-discount with endorsement, shall be acted upon separately by such Board. Instruments evidencing such loans, pledges and hypothecations and endorsement upon re-discounts, shall be executed by the officer and officers designated in such resolution, and all such loans and re-discounts shall immediately be entered and carried upon the account books and records of the Association as Bills Payable, or re-discounts as the case may be. Copies of such minutes, books and records authenticated by the oath of an officer of such association shall be sufficient to support such loan, rediscount or pledge. A complete record and

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description of the pledged assets and re-discounts shall be entered and maintained by such banking associations in a book devoted to the purpose, the form of which shall be prescribed by the State Examiner.

§ 6. PLEDGEE MAY COLLECT, RENEW, ADDITIONALLY SECURE, RELEASE AND ASSIGN. EXPENSE.] Holders of pledged or hypothecated notes or other evidence of indebtedness pledged by State banking associations, as defined herein, shall have the right to collect and enforce payment, and to renew or extend the time of payment thereof, (if no endorser, guarantor or joint maker be, by reason of such renewal, released thereby), and, provided that such extension is for a period of not longer than fifteen (15) months, and to accept from makers of such pledged or hypothecated notes and other evidences of indebtedness, security or additional security for the payment thereof, and upon payment in full by any maker to give and execute discharges and releases of instruments and securities, and shall have the power to sell, assign and transfer any note with the security therefor so pledged, upon payment of the full amount due thereon from the maker. The pledgee shall be entitled to be reimbursed out of the pledged assets, or its proceeds, for his reasonable and necessary expenses incurred and expended in collecting, renewing, securing and otherwise protecting the assets pledged or hypothecated to him.

§ 7. FORECLOSURES.] Other than provided by Section eight (8) thereof no pledge contracts authorized hereby, shall be foreclosed except by an action in equity, brought in the District Court of the County in which the Pledgor association is located, and the Receiver of any such banking association shall have the right to enjoin any foreclosure under Section eight (8) of this Act, of any such pledge contracts, and to require such foreclosure to be by action in equity, where there is a defense or counterclaim to the debt secured, or the pledge contract.

§ 8. FORECLOSURE OF PLEDGE, CLOSED BANKS.] In case of default by the pledgor association, in the hands of a Receiver, after demand for and neglect of payment, the pledgee shall have the right in lieu of foreclosure by the action in equity provided in Section Seven (7) hereof to apply to a Judge of the District Court for the County within which the closed bank is situated for an order authorizing the foreclosure and sale of the pledge. Fifteen days notice of such application shall be given by personal service or registered mail to the State Examiner and to the Receiver of the closed pledgor association.

The State Examiner, or receiver, or any of the depositors or other creditor of such closed bank may contest the granting of such

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order. Such order shall not be granted unless it appear by competent evidence that all reasonable efforts for the collection of the pledged paper have been made, and that there is no reasonable probability of further collection thereof within a reasonable period, and at reasonable expense, nor unless it shall appear that it is to the best interest of the pledgee, the said closed bank or its successor, or receiver, and the depositors and creditors thereof that such foreclosure and sale shall be had. The order for foreclosure and sale shall direct the Sheriff of the County to make the sale, and the notice to be given thereof, and the newspaper wherein such notice shall be published, which notice shall not be less than fifteen (15) days, and shall be served personally or by registered mail upon the State Examiner, and the Receiver, and by publication at least for two successive weeks prior to the sale. All sales shall be made at the front door of the Court House of the County within which said Pledgor association is situated, beginning at the hour of two o'clock in the afternoon of the day specified, separately, article by article, for cash, to the highest bidder. Any amount received from said sale in excess of the debt secured shall be paid to the Receiver, upon confirmation of the sale. Within five (5) days after the sale the Sheriff shall report the same in detail to the Clerk of the District Court, and file a copy thereof with the State Examiner and the Receiver. The pledgee may purchase at such sale, and upon confirmation, if the successful bidder, the amount of such bid shall be credited upon the debt secured.

§ 9. REDEMPTION.] The possession of the property sold, and of the proceeds thereof, shall be retained by the Sheriff unless the Court otherwise directs, until the expiration of the Redemption period herein prescribed, whereupon, and upon the confirmation of the sale the same shall be delivered to the persons entitled thereto. At any time within fifteen (15) days after the sale the Receiver may give notice to the Sheriff of his intention to redeem therefrom, and shall have the full period of five (5) days thereafter to redeem by paying to the Sheriff the amount paid by the purchaser; such redemption may be made of any or all of the articles sold. Redemptions may also be made by depositors or other creditors within ten (10) days after such sale by depositing with the Sheriff the amount paid by the purchaser, and by serving notice of such redemption upon the Receiver and the Sheriff, which said notice shall state the amount which such Redemptioner will credit upon his debt for the privilege of redeeming from the purchaser. Notice of Redemption may be given by more than one creditor for any one note or other article, and the creditor offering the largest credit upon his debt shall be awarded the right of redemption. Provided, however, that the Receiver's right of redemption shall be superior to all other redemption rights. A redemption vests in the Redemptioner or Re-

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ceiver the title to said notes or other articles upon confirmation of the sale as provided herein. Report of the sale and of the redemptions thereunder shall be made to the Court by the Sheriff within thirty (30) days after the sale, and the Court may order hearing thereon, with such notice as it may deem proper, not exceeding Twenty (20) days and upon such hearing shall have power, either to confirm or set aside the sale, or to order a new sale, or to direct such other proceedings as may seem to the best interests of the pledgee, the banking association, its successor, Receiver, its depositors and creditors, and thereupon all documents arising from proceedings hereunder shall be filed with the Clerk of the District Court. Upon the confirmation of the sale, out of the proceeds thereof the pledgee shall be reimbursed for the costs and disbursements paid and incurred in connection therewith, including a reasonable attorney's fee, not exceeding Fifty dollars ($50), to be allowed by the Court in the order of confirmation; Sheriff shall receive the same fees and commissions allowed him in the foreclosure of chattel mortgages, not exceeding fifteen dollars ($15); the remainder of such proceeds shall be applied upon the debt secured, upon which debt interest shall be computed to the date of such payment, and any residue shall be paid to the Receiver. During the period of foreclosure and redemption any debtor may pay upon his debt to the person having custody of such pledged collateral, which person is hereby authorized to receipt to the person paying, and upon full payment to release and discharge such debt and surrender the evidence thereof.

§ 10. Pledged Contracts and Sales Void.] Any pledge or hypothecation of any of the assets of a State banking association, or the sale of any of the pledged assets of any such state banking association made in violation of this Act shall be null and void, and of no force and effect, and shall not be binding on any of the parties affected thereby.

§ 11. Penalties.] Any officer, director, agent or employee of any State banking association, as defined herein, who shall borrow money for, or on behalf, or in the name of any such State banking association, or who shall obligate any such State banking association upon rediscounts, or who shall pledge or hypothecate any of the assets of such State banking association in violation of the provisions of this Act, or make any false statement, report, record or copy thereof provided for in Section five (5) hereof, and any person who shall counsel, aid or abet, or conspire with, or be accessory thereto, shall be guilty of a felony, and upon conviction thereof shall be punished by imprisonment in the State Penitentiary for a term of not less than one year, nor more than five years, or a fine of not less than One Hundred dollars nor more than One Thousand dollars, or by both such fine and imprisonment.

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§ 12. DEFINING STATE BANKING ASSOCIATIONS.] For the purposes of this Act every corporation organized under the laws of this State for State Banking Association, Savings Banks, Trust Companies, Building & Loan Associations, and all corporations or other associations, excepting National banks, whose business, in whole or in part consists of the taking of money on deposit, shall be held and are hereby declared to be State Banking associations, and as thus defined shall be subject to the provisions of this Act.

§ 13. REPEALED.] All laws and parts of laws in conflict herewith are hereby expressly repealed.

Approved March 6, 1925.

CHAPTER 93

(S. B. No. 117—Rusch.)

PAYMENT OF DEPOSITS IN TWO NAMES

An Act Relative to Payment of Deposits in Two Names.

Be It Enacted by The Legislative Assembly of the State of North Dakota:

§ 1. When a deposit has been made or shall hereafter be made in any bank, savings bank, or trust company, transacting business in this state in the names of two persons, payable to either, or payable to either or the survivor, such deposit, or any part thereof, or any interest or dividend thereon, may be paid to either of said persons, whether the other be living or not; and the receipt or acquittance of the person so paid shall be a valid and sufficient release and discharge to the bank, savings bank or trust company, for any payment so made.

Approved March 6, 1925.

CHAPTER 94

(H. B. No. 186—Vogel.)

REPORTS TO STATE EXAMINER BY BANKS AND TRUST COMPANIES

An Act To Amend and Re-enact Section 5167 of the Compiled Laws of 1913 Requiring Regular and Special Reports to the State Examiner by Banking Associations, Savings Banks and Trust Companies, and Providing Penalties for Failure to Make the Same.

Be It Enacted by The Legislative Assembly of the State of North Dakota:

Amended 1927 C. 94, S-1

§ 1. AMENDMENT.] That Section 5167 of the Compiled Laws

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of North Dakota for 1913 is hereby amended and re-enacted to read as follows:

§ 5167. Regular and Special Reports. Penalties For Failure to Make.] Every banking association, savings bank, and trust company organized under this chapter, shall make three or more reports each year to the State Examiner, the number to be determined by the State Banking Board, in such form as the State Banking Board shall prescribe; such forms to be as nearly as possible like those prescribed by the comptroller of the currency for similar reports for national banks. Such reports shall exhibit in detail, under appropriate heads, the resources and liabilities of the association at the close of the business on a past day by him specified, which shall if practicable, be the same day for which similar reports are required from national banking associations within the state by the comptroller of the currency of the United States. Each report must be verified by the oath of the president or the cashier and attested as correct by at least two of the directors, and must be transmitted to the examiner within seven days after receipt of the request for the same, and an abstract of not less than three of such reports in a form prescribed by the Board, shall be published, at the expense of the association, in some newspaper in the city, town or village where such bank is located, and in case there is no such newspaper, then in the official newspaper of the county in which such association is located. The State Banking Board shall also call for a special report from any association whenever in their judgment the same is necessary in order to obtain full and complete knowledge of its condition. Every association which fails to make and transmit any report required in pursuance of this section, shall forfeit and pay to the state a penalty of two hundred dollars for each delinquency.

Approved March 10, 1925.

CHAPTER 95

(S. B. No. 236—McLachlin.)

LEGAL RESERVE BANKING CORPORATIONS—BANKING

An Act to Amend and Re-enact Chapter 23, of the Laws of the State of North Dakota of the Special Session of 1919.

Be It Enacted by The Legislative Assembly of the State of North Dakota:

§ 1. Amendment.] Chapter 23 of the laws of North Dakota of the special session of 1919 is hereby amended and re-enacted to read as follows:

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§ 1. From and after January 1st, 1926, and up until January 1st, 1927 each banking corporation or association shall at all times have on hand in available funds an amount which shall equal fifteen per cent of its demand deposits and amounts due to other banks and ten per cent of its time deposits, and from and after January 1st, 1927 such banking corporation or association shall at all times have on hand in available funds an amount which shall equal twenty per cent of its demand deposits and amounts due to other banks and ten per cent of its time deposits; three-fifths of this amount may consist of balances due to the corporation or association from the Bank of North Dakota, or good solvent state or national banks or trust companies, which carry sufficient reserve to entitle them to act as such depository banks, and are located in such commercial centers as will facilitate the purposes of banking exchanges, and which depository banks shall have been first approved by the State Banking Board, and the remaining two-fifths of such reserve shall consist of actual cash on hand; Cash items shall not be included in computing reserve, and no corporation or association shall carry as cash, or cash items, any paper or other matter except legitimate bank exchange which will be cleared on the same or next succeeding day. Provided, however, that any state banking corporation or association with the permission of the state banking board may carry not to exceed one-fourth of its legal reserve in United States Certificates of indebtedness, United States Bonds, North Dakota Land series bonds, North Dakota Bank of North Dakota bonds and North Dakota Mill and Elevator bonds. Whenever the available funds within the meaning of this section, shall be below the requirements hereinbefore stated, such corporation or association shall not increase its liabilities by making any new loans or discounts other than by discounting or purchasing bills of exchange, payable at sight, or make any dividend of its profits until the required proportion between the aggregate amount of the deposits and its lawful money reserve has been restored and the State Banking Board must notify any corporation or association whose lawful money reserve shall be below the amount required to be kept on hand to make good such reserve and if such corporation or association shall fail to do so for a period of thirty days after such notice, the State Banking Board may impose a penalty of not less than one hundred dollars or more than five hundred dollars which shall be collected in the same manner as other penalties prescribed in this chapter.

Approved March 10, 1925.

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SESSION LAWS - NORTH DAKOTA - 1925

Interest rate.

Chapter 155. An act to amend sections 6072 and 6073 of the compiled laws of North Dakota for the year 1913 as amended by chapter 176 of the session laws of 1915, prescribing lawful rates of interest for any legal indebtedness, and defining usury.

Section 6072. Legal rate six per cent. Interest for any legal indebtedness shall be at the rate of six per cent per annum, unless a different rate not to exceed nine per cent per annum is contracted in writing and all contracts shall bear the same rate of interest after they become due as before.

Section 6073. Usury defined. No person, firm, company or corporation shall directly, or indirectly take or receive, or agree to take or receive in money, goods or things in action or in any other way, any greater sum or any greater value for the loan or forbearance of money, goods or things in action, than nine per cent per annum, and in the computation of interest, the same shall not be compounded. Any violation of this section shall be deemed usury.

All acts or parts of acts in conflict with this act are hereby repealed.

Approved March 3, 1925.

State Examiner.

To amend and reenact Section 225 of the Compiled laws of North Dakota for the year 1913, as amended by chapter 127 of the session laws of North Dakota for the year 1919, relating to the duties of the State Examiner.

Section 225. It shall be the duty of the State Examiner to examine at least once a year, and as much oftener as he in his discretion may deem advisable, the books and accounts of the Secretary of State, State Auditor, State Treasurer, Clerk of the Supreme Court, Commissioner of Insurance, Commissinner of Agriculture and Labor, Department of University and School Lands, Supply Department of the National Guard, Board of Administration, State Tax Commissioner, County Treasurers, County Clerks, County Judges, Registers of Deeds, County Superintendents of Schools, Sheriffs and County Auditors. Fees for such examinations to be charged by the State Examiner on only for the examination of books and accounts of City Auditors, City Treasurers, County Treasurers, County Clerks, County Judges, Registers of Deeds, County Superintendents of Schools, Sheriffs and County Auditors at the rate of ten dollaws a day for the time actually employed by himself or his deputies, in such examination. Such fees to be paid into the State Treasury as provided by law for other fees collected by his office; provided, that on petition of thirty-five per cent of the electors of any school district, as determined by the number of votes cast at the last general election held therein, or at the request of the Mayor or President of the Board of City Commissioners of cities, it shall be the duty of the State Examiner to examine and audit personally, or by a duly qualified deputy, within thirty days after receipt of such petition or request, the books, records and accounts of the Treasurer and Clerk of any school district, or of any City Auditor and City Treasurer, as the case may be. Fees for such services shall be paid by such district or city at the rate of ten dollars per day for the time actually employed in making said examination and audit, and said fees shall be paid into the State Treasury as provided by law for other fees collected by the State Examiner.

All acts or parts of acts in conflict herewith are hereby repealed. App. Feb. 24, 1925

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under the provisions of this act by non-use thereof for a period of sixty days after the granting of such certificate.

§ 2976v16. BALANCE OF STATUTE NOT TO BE AFFECTED BY UNCONSTITUTIONALITY OF ACT.] If any section, subsection, sentence, clause or phrase of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this act.

§ 2. REPEAL.] All acts and parts of acts in conflict with this act are hereby repealed.

§ 3. EMERGENCY.] An emergency is hereby declared to exist and does exist, and this act shall be in force and effect from and after its passage and approval.

Approved March 7, 1927.

BANKS AND BANKING

CHAPTER 91

(H. B. No. 79—Committee on Banks and Banking)

CERTIFICATES OF AUTHORITY OF BANKS

An Act To Amend and Re-enact Section 5149 of the Compiled Laws of North Dakota for 1913, Relating to the Organization of Banking Associations and Empowering the State Banking Board to Supervise and Control the Issuance of Certificates of Authority Thereto.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 5149 of the Compiled Laws of North Dakota for 1913 is hereby amended and re-enacted to read as follows:

§ 5149. The organization certificate shall be acknowledged before a clerk of some court of record or a notary public and shall be, together with the acknowledgment thereof, authenticated by the seal of such court or notary. The same shall thereupon be transmitted to the State Banking Board with a request for permission to present the same to the Secretary of State, with application to him for the issuance of a certificate of authority. Upon receiving such organization certificate the Board shall cause notice of the application therefor to be published in the official newspaper of the county within which such association is proposed to be established, which notice shall contain a statement of a time and place where the Board will hear such application and that any person objecting thereto may appear and show cause why such application should not be approved. At the time and place so stated the said Board shall diligently inquire whether the place where said Banking Association is proposed to be located is in need of further banking facilities and

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whether the proposed association is adapted to the filling of such needs, and whether the proposed incorporators are possessed of such character, integrity, reputation and financial standing as shown by a detailed financial statement that their connection with a Banking Association will not be detrimental to the public welfare of the community in which such bank is proposed to be established. The Board shall hear any reasons advanced by the applicants why they should be permitted to organize the proposed association, and any reasons advanced by any person in opposition thereto why such association should not be permitted to be organized. At the termination of such hearing the Board shall make a brief statement in writing of its conclusions whether such association should be permitted to be organized, and if it finds that it should not, stating briefly the reasons why. A copy of such conclusions shall be either indorsed upon or attached to the organization certificate, together with the refusal or grant of permission to the proposed incorporators to present the said organization certificate to the Secretary of State. PROVIDED, HOWEVER, the determination in favor of such organization must be joined in by all the members of the Board.

If the determination of the Banking Board is in favor of the applicants, the organization certificate and permission of the Board accompanying the same, shall be recorded in the office of the Register of Deeds in the county where such Banking Association is to be established, and the same shall be transmitted to the Secretary of State and received by him, and he shall record and carefully preserve it in his office, and certify the facts to the State Banking Board, and issue a certificate of authority to the corporation, which certificate of authority shall be transmitted to and held by the state examiner until an examination is made and the certificate of the state examiner or a deputy examiner procured to the effect that the capital stock has been paid in full and that all conditions of the law have been strictly complied with. But if the determination of the Banking Board is against the said application such organization certificate must not be either recorded in the office of the Register of Deeds, or, if presented, received by the Secretary of State.

§ 2. If any part of this act granting powers to the Banking Board shall be held to be invalid, such part shall not be deemed to have been the inducement to the granting of any other powers, and shall not invalidate the act as to any such other powers.

§ 3. All acts or parts of acts inconsistent herewith are hereby repealed.

Approved February 28, 1927.

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CHAPTER 92
(H. B. No. 249—Fowler)

COLLECTIONS BY BANKS AND LIABILITY

An Act To Amend and Re-enact Section 6954A1 Supplement to the 1913 Compiled Laws, Relating to the Collection of Items Through Banking Channels and Establishing the Liability of Collecting Agencies.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 6954A1 Supplement to the 1913 Compiled Laws is hereby amended and re-enacted to read as follows:

§ 6954A1. The Bank of North Dakota, or any national bank doing business in this state, or any state banking association as defined in Section 519A12 (5191A12?) Supplement to the 1913 Compiled Laws, which shall cash, receive for application on an obligation, or for collection or deposit and credit, any check, note, or other negotiable instrument drawn upon or payable at any other bank, savings bank, trust company, or other financial institution located in another city or town, or which should be presented for acceptance or payment in another city or town, whether within or without this state, may, at its option, forward such instrument for presentment or collection directly to the bank on which it is drawn, or at which it is made payable, or may forward it through the Federal Reserve Bank, or other recognized banking agencies, and in payment of such collection such bank or other agency may accept the exchange or draft of the collecting or payor bank. Such method of collection shall, in the absence of a special agreement to the contrary, be deemed to be agreed to by the parties and the forwarding bank and successive agencies shall not be liable to the owner or depositor until actual final payment is received by the collection of such exchange or draft, and until such final collection the depositor, indorser, guarantor, or surety of any check, draft, or other instrument so received, deposited, cashed or credited, shall be liable to the bank to the extent of any money paid out or credit given by it on account of such instrument.

PROVIDED, HOWEVER, the bank and every other agency through whose hands such instrument or the proceeds thereof shall pass shall be charged with ordinary business care, and shall be liable for any lack thereof, or for any default or negligence on its part resulting in loss, but not for the default, negligence or lack of care of any other agencies, and the owner or depositor of such instrument shall have a cause of action directly against such bank, or other agencies, for his damage or loss on account of its default or lack of ordinary care.

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§ 2. EMERGENCY.] This act is hereby declared to be an emergency and shall take effect from and after its passage and approval.

Approved March 5, 1927.

Note: The foregoing measure carried the following vote on final passage:

House—92—16—5

Senate—30—17—2

CHAPTER 93

(H. B. No. 293—Committee on Banking.)

CONSOLIDATION OR MERGER OF BANKS

An Act Relating to the Consolidation or Merger of Banks.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Any two or more banks may, with the approval of the State Examiner, consolidate or merge into one bank under the charter of either existing bank, on such terms and conditions as may be lawfully agreed upon by a majority of the board of directors of each bank proposing to consolidate or merge, and be ratified and confirmed by the vote of the shareholders of each such bank owning at least two-thirds of its capital stock outstanding, at a meeting to be held on the call of the directors, after sending notice to each shareholder of record by registered mail at least ten days prior to said meeting; provided, that the stockholders may unanimously waive such notice and may consent to such meeting and consolidation or merger in writing. Provided also, that the capital stock of such consolidated bank shall not be less than that required under existing law for the organization of a bank of the class of the largest consolidating bank.

The assets and liabilities of the consolidated bank shall be reported by the surviving bank. All the rights, franchises, and interest of said bank so consolidated in and to every species of property, real, personal and mixed and choses in action thereto belonging, shall be deemed to be transferred to and vested in such bank into which it is consolidated without other instrument of transfer, and the said consolidated bank shall hold and enjoy the same and all rights of property, franchises, and interests in the same manner and to the same extent as was held and enjoyed by the bank so consolidated therewith, provided, however, that the merging bank shall transfer to the surviving bank all of its real property by good and sufficient deed of conveyance and for that and other purposes shall remain a body corporate for a period of at least three years after merger and shall not then dissolve without the approval of the State Examiner.

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§ 2. This Act is hereby declared to be an emergency measure and shall be in force and effect upon its passage and approval.

Approved March 5, 1927.

CHAPTER 94
(H. B. No. 152—Thompson of Ramsey)

REGULAR & SPECIAL REPORTS BY BANKS

An Act To amend and Re-enact Section 5167 of the Compiled Laws of 1913, as Amended by Chapter 94, Session Laws of 1925, Requiring Regular and Special Reports to the State Examiner by Banking Associations, Savings Banks and Trust Companies, and Providing Penalties for Failure to Make the Same.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 5167 of the Compiled Laws of North Dakota for 1913, as amended by Chapter 94, Session Laws of 1925, is hereby amended and re-enacted to read as follows:

§ 5167. REGULAR AND SPECIAL REPORTS. PENALTIES FOR FAILURE TO MAKE.] Every banking association, savings bank, and trust company organized under this Chapter, shall make three or more reports each year to the State Examiner, the number to be determined by the State Banking Board, in such form as the State Banking Board shall prescribe; such forms to be as nearly as possible like those prescribed by the comptroller of the currency for similar reports for national banks. Such reports shall exhibit in detail, under appropriate heads, the resources and liabilities of the association at the close of the business on a past day by him specified, which shall if practicable, be the same day for which similar reports are required from national banking associations within the state by the comptroller of the currency of the United States. Each report must be verified by the oath of the president or the cashier and attested as correct by at least two of the directors, and must be transmitted to the examiner within seven days after receipt of the request for the same, and an abstract of not less than three of such reports in a form prescribed by the board, shall be published, at the expense of the association, in some newspaper in the city, town or village where such bank is located, and in case there is no such newspaper then in a legal newspaper of the county in which such association is located. The State Banking Board shall also call for a special report from any association whenever in their judgment the same is necessary in order to obtain full and complete knowledge of its condition. Every association which fails to make and transmit any report required

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in pursuance of this section, shall forfeit and pay to the state a penalty of two hundred dollars for each delinquency.

Approved February 28, 1927.

CHAPTER 95

(H. B. No. 81—Committee on Banks and Banking)

LIMITATION OF BANK LOANS

An Act To amend and re-enact Section 5172 of the Compiled Laws of North Dakota for 1913, relating to the limits of loans by Banking Associations.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 5172 of the Compiled Laws of North Dakota for 1913 is hereby amended and re-enacted to read as follows:

§ 5172. LIMIT OF LOAN TO ONE CONCERN.] The total liability to any Association of any person, corporation, company or firm, including in the liabilities of the firm the liabilities of the several members thereof for money borrowed and paper of the same parties as makers thereof purchased, shall not at any time exceed fifteen percent of the capital stock and surplus of such Association actually paid in when such surplus does not exceed twenty percent of the capital stock; and if such surplus exceeds twenty percent but does not exceed fifty percent, such liability shall not exceed twelve and a half percent of the capital stock and surplus; and if such surplus exceeds fifty percent of the capital stock such liability shall not exceed ten percent of the amount of the capital stock and surplus. But the discount of bills of exchange drawn in good faith against actual existing values, or loans upon produce in transit or actually in store as collateral security—(provided that all paper relating to such transactions be made payable to and such paper and security therefor be and remain in the possession and control of such Association until the advance or debt be paid)—shall not be considered as money borrowed and such Association may discount commercial or business paper actually owned by the person negotiating the same without it being deemed an addition to the loan to said negotiator.

PROVIDED FURTHER, HOWEVER; That the liability which may be permitted to exist against any Association, corporation, person, company or firm, as hereinbefore provided, shall not be lessened at any time by the increase of surplus, nor be less than the liability permitted by law when this act takes effect.

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CHAPTER 96
(S. B. No. 237—Ettestad.)

SECURED SAVINGS DEPOSITS

An Act Relating to Banks, Providing for Secured Savings Deposits, Fixing the Reserve, Limiting the Investment of Such Deposits, Exempting the Same from the Depositor's Guaranty Fund Law, Establishing a First Lien on General Assets, Providing Notice of Withdrawal, the Keeping of Separate Books and Records, and Providing a Penalty for the Violation of the Provisions Hereof.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. SECURED SAVINGS DEPOSITS; ESTABLISHED; LIMIT OF AMOUNT; INTEREST.] Any bank or trust company may establish a class of deposits to be known as "Secured Savings Deposits", which shall not exceed in amount for any one depositor the sum of Five Hundred Dollars. Interest thereon shall not be promised or paid, either directly or indirectly, to such depositor in excess of two and one-half per cent per annum, but the same may be compounded quarterly or semi-annually.

Such banks shall maintain and keep as cash reserve an amount which shall equal ten per cent of its total Secured Savings Deposits, four-fifths of which amount shall, as nearly as practicable, consist of balances due from reserve agents to be approved by the State Banking Board, and carried in the name of such bank in an account entitled "Secured Savings Account of ..... Bank of ....., N. Dak.", and as nearly as practicable, not exceeding one-fifth of such reserve provided for herein may be kept in another department of such bank.

§ 2. INVESTMENTS RESTRICTED.] Any bank having Secured Savings Deposits shall invest the deposits received in such department only in bonds or certificates of indebtedness of the United States, the State of North Dakota, any County or School District within the State, or such other political subdivisions of the state, the bonds and certificates of indebtedness of which may, from time to time, be approved for investment of such deposits by the State Banking Board.

§ 3. RESERVE AND INVESTMENTS TO BE KEPT SEPARATE; PLEDGING OR LOANING ASSETS PROHIBITED.] The reserve, bonds and investments belonging to the Secured Savings Department of any such bank shall be kept separate and apart from the other reserves, bonds, investments, loans and discounts of the bank, and shall be applicable only to the repayment of such Secured Savings Deposits, and shall not be pledged, loaned or hypothecated as security for loans of such bank or otherwise, excepting as permitted by section one of this act.

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§ 4. Protection Removed Where Higher Interest Rate Paid; Secured Deposits Not Subject to Depositors Guaranty Fund Law.] The protection provided for in this act to depositors hereunder shall not apply to a depositor who accepts, either directly or indirectly or by whatever device, interest or compensation upon such deposit of a higher rate than provided for in section one herein, but he shall in such event be treated and considered as a common creditor of such bank. The deposits received by any bank under this act shall not be subject to the provisions of the Depositors Guaranty Fund Law, and the amount thereof shall not be included in making return for assessment for account of such Fund.

§ 5. First Lien on Bank's General Assets; Exception.] The amount of the cash reserve standing to the credit of the Secured Savings Department in any such bank shall be, and is hereby declared to be, secured by a first and paramount lien upon the assets of such bank in favor of such Secured Savings Depositors; save and except funds deposited in such institution belonging to the estate of any insolvent bank, deposited therein by the Receiver or other person officially in charge, which shall have preference over all other claims. In the event of the closing of any bank having Secured Savings Deposits, if it shall appear that such deposits or investments have been wrongfully mingled with the other assets of such bank, or, except as otherwise hereinbefore provided, that such reserves and investments have not been maintained separately, but have been unlawfully co-mingled, such Secured Savings Deposits shall be deemed to be especially secured by a first and paramount lien upon all the other assets of such bank as in this section provided.

§ 6. Deposits; Notice of Withdrawal; Rule and Regulations to Receive Approval of State Banking Board.] Deposits received under the provisions of this act shall be paid to the order of the depositor or his representative and shall be kept, maintained and paid out, with interest as herein provided for, under such rules and regulations as the Boards of Directors from time to time prescribe, not inconsistent with the provisions of this act and of the banking laws of the state, and shall be effective upon approval of the State Banking Board, and which shall be printed in a pass book furnished the depositor, and also conspicuously posted in the lobby of the bank in some place accessible and visible to all, and no changes which may at any time be made in such rules and regulations affecting the rights of depositors acquired previously thereto in respect to the deposits or interest thereon shall be operative until approved by the State Banking Board nor until sixty days after the posting of such change; provided, however, that in order to prevent loss

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to the depositor, by enforced sale of securities below their real value, it shall be lawful for the directors in their discretion, to require notice of one week before the withdrawal of any part of any secured savings deposit of more than twenty dollars and not exceeding one hundred dollars; of two weeks before the withdrawal of any part of any deposit of more than one hundred dollars and not exceeding two hundred fifty dollars; of three weeks before the withdrawal of any part of any deposit of more than two hundred fifty dollars and not exceeding five hundred dollars, and in case where the deposit has been made on certificate for a definite time and the depositor fails to withdraw the same within ten days after such definite time, then notice for withdrawal may be required as prescribed above, and provided, further, that the directors of any such bank may, and by the written consent of the State Banking Board shall, make any changes deemed necessary in regard to the notices heretofore required to be given by the depositor for the withdrawal of their deposits, by extending the time that notice shall be given by any depositor for the withdrawal of all such deposits, to a period of time not exceeding three months, and provided, further, that the directors may limit the aggregate amount that any depositor may deposit to such sum as they deem expedient to receive, not exceeding the amount limited under section one of this act, and may in their discretion refuse to receive any deposit, and may also, at any time, return all or any part of any deposit and the accrued interest thereon to any depositor without notice.

§ 7. Separate Books to be Kept; Reports to State Examiner.] Every bank which shall establish and maintain a Secured Savings Department, shall be required to keep separate books and records of the deposits made therein, and of the investments made and belonging to such department, and shall be required to make reports of the condition of such department to the State Examiner on the last business day of each month, and also at the time of making report of the condition of the general business of the bank, and which last mentioned report shall show separately therein the amount of such Secured Savings Deposits, investments and reserves, and upon forms prescribed and approved by the State Banking Board, and such Board may require in the published statement of condition of such bank that the same shall be set forth as separate items in such published report.

§ 8. Not Applicable Until Secured Savings Department Established.] This act shall not apply to any deposit originating prior to the taking effect hereof, but shall apply only to new deposits thereafter made, nor shall this act be construed to limit

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or interfere with the establishing or conducting of a general savings department in State banks and Trust companies.

§ 9. PENALTY.] Every officer, agent, or clerk of any banking association who wilfully and knowingly subscribes or makes any false statements or entries in books of such association, or knowingly subscribes or exhibits any false paper with intent to deceive any person authorized to examine as to the condition of such association, or wilfully subscribes or makes false reports, shall be punished by imprisonment in the state penitentiary not less than one nor exceeding ten years, or in the county jail not exceeding one year, or by a fine not exceeding ten thousand dollars, or by both such fine and imprisonment.

§ 10. EMERGENCY.] This act is hereby declared to be an emergency measure and shall take effect and be in force upon its passage and approval.

Approved March 5, 1927.

CHAPTER 97
(H. B. No. 80—Committee on Banks and Banking)

SURPLUS OF BANKS

An Act Providing for an increase of surplus of Banking Associations and Exempting such surplus from taxation.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. From and after the first day of July, 1927, every Banking Association and trust company doing business shall semi-annually or annually, as its governing board shall deem advisable, ascertain and set apart and convert into a surplus fund at least fifty percent of its net earnings until such surplus shall equal one hundred percent of its capital stock, and no dividends shall be declared upon its stock except from the remaining fifty percent of its net earnings. Such surplus is intended to strengthen the banking associations of the state and safe-guard the depositors and it shall, therefore, be exempt from taxation and not taken into account in determining the taxable value of the shares of stock of banking associations.

§ 2. If at any time the surplus of a banking association shall fall below the highest point it shall have theretofore attained, no dividends shall be declared on the capital stock until such surplus has been restored to such highest point, and until it is so restored all of the net earnings shall be converted into such surplus fund.

§ 3. All acts and parts of acts inconsistent herewith are hereby repealed.

Approved February 28, 1927.

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CHAPTER 98
(S. B. No. 249—Ployhar)

LIMITATION OF ACTIONS AGAINST INSOLVENT BANKS

An Act Providing a Limitation for Filing and Bringing Suit on Claims Against Insolvent Banks or their Receivers.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. When any bank shall hereafter become insolvent and go into the hands of a receiver he shall give notice thereof by registered mail to every creditor whose address appears on the records of the bank, or shall be known to the receiver, within sixty days after his appointment. Any claim against such bank not presented to the receiver within two and a half years after his taking possession thereof shall be barred and cannot thereafter be presented or an action maintained thereon. In the case of any bank that has heretofore closed and gone into the hands of a receiver where notice has already been mailed substantially as provided herein, whether within sixty days from the time of the taking possession by the receiver or not, and in which any claim has not been filed, it shall be barred and cannot be presented or an action maintained thereon after two and a half years from the date of the mailing of such notice.

PROVIDED, HOWEVER: no claimant shall have less than six months after the taking effect of this Act within which to present his claim or commence an action thereon; and provided further any person bringing action on a claim against any such receiver must allege in his complaint and prove that the action is not barred under the foregoing provisions.

An emergency is hereby declared to exist and this act shall become effective immediately upon its passage and approval.

Approved March 5, 1927.

CHAPTER 99
(H. B. No. 215—Thatcher and Swett)

ADMINISTRATION AND LIQUIDATION OF INSOLVENT BANKS

An Act Relating to Banking, Regulating the Administration of the Affairs of Insolvent Banks, Providing for Their Liquidation, Vesting the Supreme Court with Jurisdiction of such Liquidation Proceedings and Requesting it to assume Original Jurisdiction in Furtherance of the Public Interest, Creating the position of Supreme Court Commissioner, Fixing his Compensation and Defining his Powers and Authority, and Providing for the Appointment of Receivers of Insolvent Banks and Continuing Receiverships, and Making an Appropriation to meet the Expenses Incident to Carrying out the Purpose of this Act, and Directing the Supreme Court to Exercise its Supervisory Authority over the District Court in Proceedings for Liquidating the Affairs of Insolvent Banks, and Providing for the Re-opening and Reorganization of Closed or Suspended Banks, and Providing for Liquidation of Closed Banks by the Depositors therein, and Designating a Custodian of Records and Property after Winding up Receiverships, and Providing for the Covering into the General Fund of the State of Unclaimed Dividends.

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Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. JURISDICTION OF SUPREME COURT.] The Supreme Court of the State of North Dakota is hereby given, and requested to exercise, original jurisdiction of the insolvency proceedings to liquidate and wind up the affairs of all insolvent state banks within the State, at the time of the taking effect of this Act, and all such as may become insolvent during its continuance.

§ 2. LIST OF CLOSED BANKS TO BE CERTIFIED TO ATTORNEY GENERAL.] Immediately upon the taking effect of this Act the State Examiner shall certify to the Attorney General a list of all state banks in the State now closed as insolvent, whether in the hands of Receivers, the State Examiner's office, or other trustees or agents of the State (except such banks as are now in process of liquidation by a receiver appointed pursuant to Chapter 137 Session Laws of 1923 and such receiverships shall continue and be governed by the provisions of this Act as though such appointment had been made pursuant to this act) together with a concise statement, showing the time of insolvency, the name of the Receiver in charge, and such other information as the State Examiner believes will be of importance to the Attorney General.

§ 3. PROCEEDINGS FOR WINDING UP.] Immediately upon receiving such certificate the Attorney General shall institute a proceeding in the Supreme Court entitled in the name of the State of North Dakota, for itself, and on behalf of all creditors of such banks, as plaintiffs, against all of said insolvent banks as defendants, for the purpose of declaring them insolvent and winding up their affairs as insolvent banking associations. Such proceedings shall be brought by the filing in the office of the Clerk of the Supreme Court of a complaint reciting briefly the facts as to the insolvency in each of such banks, and the name of the receiver or other officer in charge.

Upon the filing of such complaint the Attorney General shall issue a summons in the usual form of summons issued in actions in the district court of the State, and containing an additional statement to the effect that a petition charging the bank in question with being insolvent is on file in the office of the Clerk of the Supreme Court, and that unless answer is made thereto within 15 days from such service such complaint will be taken as confessed. Such summons, however, as prepared for service on individual banks need only name as a defendant, the particular bank upon which service thereof is to be made, and such service may be made upon any officer of such bank.

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Service of such Summons may be made in the same manner as the service of summons in ordinary civil actions is made, and the sheriff of the county in which the bank to be served is located shall upon request of the Attorney General immediately make service, or cause service thereof to be made, as in ordinary actions, but he shall not be entitled to collect any fees or expenses for making such service and he shall make return thereof when served to the Attorney General.

§ 4. TIME TO ANSWER.] Upon the Service of the Summons as aforesaid the defendant bank shall have fifteen days within which to serve and file an Answer denying insolvency, or any other material fact stated in the petition and unless within such fifteen days such answer is served and filed the insolvency of such defendant shall be deemed confessed.

§ 5. COURT COMMISSIONER; QUALIFICATIONS; JURISDICTION; REVIEW OF DECISION OF.] Upon the taking effect of this Act the Supreme Court shall appoint a Court Commissioner who shall have all the qualifications prescribed by law for a Judge of the Supreme Court to whom it may refer any matters committed to the jurisdiction of the Court by this Act, who shall act for and on behalf of the Supreme Court in hearing evidence, finding facts and making orders in any matter arising in connection with the action or actions instituted in such court under the provisions of this Act.

Such commissioner may sit for hearing and determination of any question of law or fact that may arise in such action or actions at any place within the State, and any such hearing may be brought on upon reasonable notice given by the Commissioner to the party in interest of the time and place of such hearing, and in the exercise of the jurisdiction conferred upon him, said Commissioner may permit matters to be brought before him either upon ordinary notice served upon the parties or by order to show cause, according to the practice of the district courts.

Any decision of the Commissioner may be reviewed by the Supreme Court on the action [motion?] of any party aggrieved at such times and under such rules as the Court may prescribe, and unless objected to by motion to review as herein provided, the court may deem the decision of the Commissioner correct and without notice or application affirm the same.

Any party desiring to have a review of the decision of the Commissioner by the Supreme Court must within three days after the making of the same, if he is present personally or by counsel, or within three days after written notice thereof, if not present, file with the Commissioner a brief written statement of

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the grounds of his objection and containing the post office address of the party or his attorney upon which notice of hearing shall be served. Such statement shall be filed by the Commissioner with the Clerk of the Supreme Court and Notice of the Hearing of such Motion for review shall be given to the complaining party by letter addressed to him, or his attorney at the place named in such statement. The time of giving notice of such hearing to be fixed by rule or order of the Supreme Court.

§ 6. SAME; SALARY; CLERICAL ASSISTANCE; OATH.] Such Commissioner shall be paid out of the general funds of the State the same salary as is paid to Justices of the Supreme Court and may employ such clerical assistance as shall be allowed by the Court, and shall be reimbursed by the State for all his actual expenses incurred in connection with the performance of his duties to be passed upon by the State Auditing Board as other claims against the state. Such Commissioner shall take the constitutional oath to perform his duties according to the Constitution of the United States and the State of North Dakota.

§ 7. RULES AND REGULATIONS.] The Supreme Court shall make rules and regulations from time to time governing the reference of matters to the Commissioner and the exercise of his jurisdiction and powers and the manner and method of reviewing his decision.

§ 8. RECEIVER; APPOINTMENT OF; SUPERSEDING OTHER RECEIVER.] Upon the filing of the Complaint aforesaid the Court shall appoint a Receiver, or two joint Receivers, of all said insolvent banks, which Receiver shall have all the powers and authorities ordinarily possessed and exercised by receivers of insolvent corporations or prescribed by statute and the Court shall have all the power and authority with regard to the administration and closing of the affairs of such banks as are ordinarily possessed and exercised by courts of equity over the affairs of insolvent corporations. If upon a hearing on an issue raised by answer to the complaint, it shall be established that any Bank proceeded against is not insolvent, then the Receiver shall be deemed to have been a Temporary Receiver, and shall account and be discharged accordingly as to such bank, in all other respects the Receiver shall be deemed to be a Permanent Receiver.

The Receiver so appointed by the Court shall supercede, and supplant any receiver theretofore appointed by the Banking Department, or by any other court, or any examiner or officer of the Banking Department that may be in charge of any of such banks, but until the receiver appointed under this Act shall take possession of any such bank the receiver, or other officer already in charge, shall continue, and it shall be his duty to protect, con-

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serve and administer its affairs to the best of his ability, and he shall remain liable under his bond for all his acts committed prior to being finally relieved of his trust.

§ 9. PROCEEDING AGAINST OTHER BANKS DEEMED INSOLVENT.] If during the life of this Act any other banking association shall be deemed insolvent by the authorities vested by law with the right to institute insolvency proceedings against the banks, and such authorities desire to institute such proceedings, they shall make report thereof to the Attorney General, with the necessary facts as to insolvency, and he shall file a complaint such as hereinbefore provided for, as to such other association or associations, as to which it is desired to institute proceedings, joining as many as is desirable in one proceeding; and the same proceedings shall be had thereon as is provided with reference to associations already insolvent, and the court shall thereupon in like manner appoint the same receiver, or receivers, for such additional association, or associations, and the original proceeding provided for herein, and all subsequent proceedings that may be taken as in this section provided shall be deemed to be merged and amalgamated into one proceeding, but the affairs of each association shall be kept separate.

§ 10. RECEIVER; APPLICATION TO COMMISSIONER FOR INSTRUCTIONS.] The Receiver appointed hereunder shall from time to time apply to the Commissioner for guidance and instructions and for the purpose of obtaining orders and directions with reference to the administration of the affairs or the disposition of the property of any of the Banks under his control, as receiver, in the same way and as far as may be practicable under the same course of procedure that receivers appointed by district courts apply to such district courts, and the receiver or any other partes aggrieved by any determination of the Commissioner may apply to the Court for a review thereof, as hereinbefore provided for.

§ 11. FIXING AMOUNT OF EXPENSES OF RECEIVERSHIP CHARGEABLE TO DIFFERENT BANKS.] At any time when the affairs of any bank under the receivership aforesaid are ready to be closed, the court shall fix the amount of the expense of the receivership properly chargeable to such bank.

§ 12. PROCEDURE.] So far as practicable, except as herein otherwise provided, and except as may be otherwise provided by the Court, the ordinary rules of procedure applicable to like actions in the district court shall govern the proceedings herein provided for; but the Court may from time to time prescribe such rules of procedure as it shall from time to time find best adapted to the furtherance of the general purpose of expedi-

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tiously and economically winding up the affairs of insolvent banks.

§ 13. COMMISSIONER; POWERS OF.] The Commissioner appointed hereunder shall have power and authority to issue subpoenas for witnesses any place within the State, and to administer oaths and to punish for contempt, to the same extent as a Judge of the District Court, subject to a review of his decision by the Supreme Court, as in case of other decisions. At any time when district court is not in session in any county, in which the Commissioner is holding a hearing, he shall have a right to take and use the court room of the district court, and he may call upon the Clerk of such District Court to act as his clerk, in issuing subpoenas, and may call upon the Sheriff of the County to act as his Court officer, and such officer shall perform such service without compensation.

§ 14. PLACE OF HEARING.] The Commissioner shall, as far as practicable, hold his hearings in the County in which the Bank interested is located, and as far as practicable and with fair regard to the convenience and interest of all parties at the most accessible point within the County.

§ 15. WITNESS FEES AND MILEAGE; WHO LIABLE.] In all hearings before the Commissioner the parties procuring the attendance of witnesses shall be liable for their witness fees and mileage, as is allowed in district court, and the Commissioner may make such order with reference to the payment of costs by the different parties as shall be just.

§ 16. JUDGMENTS; INTERLOCUTORY OR FINAL; TRANSCRIPT OF.] The Supreme Court may from time to time as occasion shall require enter interlocutory or final judgments affecting the rights of particular parties to the proceedings without affecting the rights of any other party, and any judgment so entered in the Supreme Court may be at the request of any interested party transcripted to the district court of any county in the State where it shall be docketed by the Clerk of Court, and shall from the time of docketing be taken and considered as a judgment of such district court in all things the same as though originally entered, and it may be enforced as a judgment in such court.

§ 17. APPROPRIATION.] There is hereby appropriated out of the general funds of the State the sum of $10,000.00 per year, or so much thereof as may be necessary to pay the salary of the Court Commissioner and the expenses incident to the performance of his duties hereunder.

§ 18. TRANSFER OF PROCEEDINGS TO BURLEIGH COUNTY DISTRICT COURT; DESIGNATION OF DISTRICT JUDGE; REVIEW OF ACTS

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OF.] In case the Supreme Court shall be of the opinion that its original jurisdiction does not extend to the controversy or controversies referred to in this Act, or if for any other reason the Supreme Court shall refrain from exercising its original jurisdiction with respect thereto, the proceeding shall not be dismissed, but all papers and files therein shall be transmitted to the Clerk of the District Court of Burleigh County, and that court shall be and is thereupon vested with full jurisdiction of such proceeding, and thereupon the Supreme Court, in the exercise of its supervisory jurisdiction shall designate some district judge to hear and try said controversy or controversies, and the judge so designated shall give precedence to such controversy or controversies over all other work and in the disposition thereof he shall be governed by the provisions of this Act, and endeavor in every way to carry the same into effect. The District Judge so designated shall perform all of the duties which the Act requires to be performed by the Court Commissioner, and in such case no Court Commissioner shall be appointed. In such case the acts of the District Court shall be subject to review by the Supreme Court in the same manner herein provided for review by the Supreme Court of the acts of the Court Commissioner. Provided that all acts of such district court performed under the provisions of this Act, including the appointment of a receiver, shall be subject to the supervisory control of the Supreme Court. In case of the designation of a District Judge as herein provided for, all his necessary traveling expenses incurred in carrying out the provisions of this Act shall be paid out of the general fund of the State upon vouchers duly presented, as in other cases of the expenses of District Judges. In case of the designation of a District Judge as in this Section provided, all further insolvency proceedings, in this Act hereinbefore provided to be instituted in the Supreme Court, shall be instituted in the District Court of Burleigh County, and conducted in like manner.

In case of the designation of a District Judge as in this Section provided for, the rules of procedure prescribed by the Act for the Court Commissioner shall govern the procedure before such District Judge, and the Supreme Court shall likewise make necessary rules governing the conduct of such proceeding or proceedings.

§ 19. REOPENING WITHOUT RECEIVERSHIP.] Whenever any bank shall for any reason be suspended or closed, or shall be placed on Special Deposit order by the Guaranty Fund Commission pursuant to law, if twenty-five of the depositors therein shall notify the state examiner or the secretary of the Guaranty Fund Commission, as the case may be, that they desire to attempt to reorganize or otherwise reopen or consolidate such bank

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with some other banking institution, a reasonable time shall be given by the state examiner or the Guaranty Fund Commission, as the case may be, during which receivership proceedings will not be commenced; and thereupon the depositors must proceed immediately with the perfection of such plan and articles of agreement, outlining in general the proposed plan, which must be signed by deposit creditors representing eighty per cent of the amount of deposits in such bank, exclusive of deposits of public money secured by indemnity bond or otherwise. All other unsecured depositors shall be held to be subject to and bound by the terms of such agreement to the same extent as though they had joined in the execution thereof, and in case of the restoration of said bank to solvency and the re-opening thereof their claims shall be treated in all respects as if they had been parties to the making thereof. If at any time, in the opinion of the Guaranty Fund Commission or state examiner, as the case may be, reasonable progress is not being made in the attempted reorganization the grant of time to depositors may be withdrawn and receivership proceedings immediately instituted.

When eighty per cent of the depositors, as aforesaid, have joined in such agreement the same shall be presented to the Guaranty Fund Commission and the state examiner, with a full report of what has been done in adjusting the affairs of the bank in anticipation of reopening; and the state examiner and the Guaranty Fund Commission may thereupon require any further or additional things to be done that in their opinion will be necessary to place the bank in position to open and function as a going concern, and be admitted to participation in the Depositors Guaranty Fund; and the state examiner may then grant such reasonable time as seems necessary to placing the bank in such position and when the requirements of the state examiner and the Guaranty Fund Commission have been complied with said bank shall reopen and become in all things a going bank, subject to all provisions of law and regulations of the banking department and the Guaranty Fund Commission; PROVIDED, HOWEVER, at any time in the opinion of the state examiner the interests of the creditors of said bank are being jeopardized by delay he may immediately withdraw all grants of time and cause receivership proceedings to be instituted.

§ 20. REORGANIZATION AND OPENING OF BANKS.] Any bank coming under the jurisdiction of the Court as provided for in this Act, may be withdrawn from the control of the receiver hereinbefore provided for, and its reorganization and opening may be undertaken by its depositors as follows, to-wit:

A reorganization plan and articles of agreement in writing may be entered into by deposit creditors of such bank represent-

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ing eighty per cent of the amount of deposits therein, exclusive of deposits of public money secured by indemnity bond or otherwise. Thereupon all other unsecured depositors shall be held to be subject to such agreement and bound by all the terms thereof to the same extent and with like effect as if they had joined in its execution, and in the event of the restoring of such bank to solvency and the reopening of it for business all depositors shall be bound to abide by the terms thereof. Such reorganization agreement shall name a committee of three, who may or may not be depositors, to put such organization into effect. The committee so named shall thereupon present said reorganization plan to the Court, with a written request, which need be in no particular form, for permission to perfect such plan and open such bank, and thereupon the Court shall fix a time and place at the earliest date the business of the Court will permit, when such request will be considered, except that it must permit of the giving of ten days notice thereof to the receiver in charge. If it shall appear to the Court upon such hearing that the committee named in such agreement is prepared to put the plan into operation and that it is in compliance with law, the application shall be granted, unless good reason to the contrary is shown by some objecting party; and an order shall thereupon be made by the Court permitting such reorganization, the withdrawal of such bank from the receivership, and the reopening thereof, when the state examiner and the secretary of the Guaranty Fund Commission shall certify that they have examined its affairs and that it is in condition to open and proceed with business as a solvent bank within the banking and Guaranty Fund statutes, and directing the receiver, upon presentation of such certificates, to turn over to the said bank, or account for all of the assets and effects thereof that have been taken possession of by him, deducting, however, the proper expenses of administration during the time the same has been in his charge, such expenses to be agreed upon by the said committee and the receiver, or in case of disagreement to be fixed by the Court. But the failure of the parties to so agree shall not delay the turning over of the assets other than those which the receiver claims to be entitled to by way of compensation, and the matter of the correctness of such claim shall be thereafter determined. Upon so delivering the assets and effects the receiver shall take the receipt of the said bank and the said committee jointly for the same and he shall thereupon be absolved from all future responsibility on account of the affairs of said bank, and the same shall thereupon become a going banking association, subject to all the rules of law and regulations applicable to other banking associations.

§ 21. Liquidation by Depositors.] When any bank shall be closed and taken charge of by the receiver, as provided for

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in this Act, or while proceedings are pending for taking charge thereof under this Act, a plan for liquidation and articles of agreement may be executed in writing by deposit creditors thereof representing eighty per cent of the amount of deposits of such bank, exclusive of public money secured by indemnity bonds or otherwise; and all other unsecured depositors shall be held subject to such agreement and all of the terms thereof to the same extent and effect as if they had joined in its execution. Such agreement must provide for a liquidating committee of three, who may or may not be depositors, to be elected by the signers of such agreement, the same to be elected at a meeting held in the town where such bank is located, upon reasonable notice to each signer of the time and place of such election, and the vote of the holders of two-thirds of the amount of deposits represented in the aggregate by such signers shall be necessary to the election of each member of the liquidating committee. A full record of such election must be made in writing and signed by the chairman and secretary of the meeting, and the same must be preserved and presented to the state examiner and the Court in the proceedings hereinafter provided for.

Before the said plan and agreement are presented to the depositors for signing, as aforesaid, the same must be submitted to the state examiner, whose duty it shall be to act in an advisory capacity to the persons interested in the plan, and who shall pass upon the feasability and practicability of the same, and either approve or disapprove thereof, and if he disapproves the plan, it shall be his duty to formulate and present in lieu thereof a plan and agreement that meet with his approval.

Upon the liquidating committee being elected as herein provided for, it shall present to the Court an application to have the liquidation of the said bank withdrawn from the receivership and vested in it, and the Court shall thereupon make an order fixing a time and place for the hearing of such application, which shall be at as early a date as is consistent with the transaction of the business of the Court, except that it shall be at a date that will permit of the giving of at least ten days notice thereof to the receiver, which notice must be given by the applicants. Upon the hearing the Court shall advise itself fully in regard to the status of the existing receivership, the feasibility of the proposed plan, and the competency of the liquidating committee and its several members to act in the proposed capacity, and it shall have power to prescribe the terms and conditions upon which the liquidation of the affairs of such bank will be transferred from the receivership to such committee, and it may permit the applicants, with the consent of the state examiner, to modify or amend the said proposed plan. If no good reason is

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made to appear why the application as originally made or amended should not be granted, the Court must make its order appointing the members of the said committee as joint receivers of said bank in the place and stead of the existing receiver, prescribe the amount of the bond, if any, they should be required to give upon qualifying as receivers, and the manner of their reporting and accounting to the Court, and directing the existing receiver to account to them and turn over all of the assets of the receivership, first deducting the proper expenses and charges for administration of the receivership up to such time, the amount thereof to be agreed upon between the existing and the new receivers, or in case of disagreement to be settled by the Court; but the failure of the parties to so agree shall not delay the transfer of the assets and effects to the new receivers, except such thereof as are claimed by the old receiver as compensation, as aforesaid, and the correctness of such claim shall be subsequently determined by the Court.

Upon so accounting and surrendering the assets and effects to the said new receivers, the existing receiver shall take their receipt therefor, and he shall be thereupon discharged from all liability and responsibility in connection with the further liquidation of such bank, and the said new receivers shall be deemed to have assumed the same liability, responsibility and accountability to the Court as other receivers.

§ 22. Construction of Act.] The provisions of this Act with reference to the withdrawal of banks from the receivership for the purpose of reorganization and opening, or for the purpose of liquidation, shall be deemed to be highly remedial in character and they contemplate the most expeditious disposal of such matters that is practicable, and shall be liberally construed to accomplish this purpose, and it shall be the duty of the Court and all other public officers having any connection therewith to give such matters preference over ordinary matters to the fullest extent that can be done without undue interferenc with other official and judicial business.

§ 23. Custody of Records and Assets After Termination of Receivership.] When the affairs of any closed bank shall be wound up and the receiver discharged, all books, records, documents, and other property of such bank and any dividends unclaimed by the creditors of such bank shall be by such receiver delivered over to the State Examiner and his receipt taken therefor and filed with the Clerk of the Court having jurisdiction of such receivership.

The State Examiner is hereby appointed custodian of all books, records, documents, and other property of such bank and

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of the dividends unclaimed by creditors upon the winding up of the receivership proceedings. Such custodian shall be vested with the title to any assets belonging to such bank and not distributed in such receivership, and he shall have full power and authority to convert such assets into cash. He shall also have authority to execute all deeds, satisfactions, assignments or other documents for the purpose of transferring such assets or for the purpose of clearing the records and quieting title to property in which said bank had an apparent interest. Any money collected by such custodian, over and above his necessary expenses, shall be distributed in the same manner as though the receivership had not been terminated. Any dividends remaining unclaimed for a period of two years from the termination of the receivership or other recoveries, shall be by said custodian covered into the Depositors Guaranty Fund of the state.

§ 24. CONSTITUTIONALITY: INVALIDITY OF PART SHALL NOT AFFECT REMAINDER.] Should any section or provisions of this Act be held unconstitutional or invalid, that shall not affect the validity of the Act as a whole or any part thereof, other than the part so held to be unconstitutional.

§ 25. This Act is hereby declared to be an emergency and shall take effect from and after its passage and approval.

Approved March 7, 1927.

CHAPTER 100
(H. B. No. 292—Twichell)

RECORDING SHERIFF'S DEED ACQUIRED BY BANK OF NORTH DAKOTA

An Act Relating to the Recording of Sheriff's Deeds and Other Conveyances of Real Property Acquired by the Bank of North Dakota, as Agent for the State Treasurer as Trustee of the State of North Dakota Under the Provisions of Chapter 154 of the Session Laws of North Dakota for 1919 and Chapter 292 of the Session Laws of North Dakota for 1923, and Acts Amendatory Thereof; Prescribing the Duties of the County Auditor and Register of Deeds in Respect Thereto; and Providing that Section 2212 of the Supplement to the Compiled Laws of North Dakota for 1913 Shall Not be Applicable Thereto.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Whenever any Sheriff's deed or other conveyance of real property acquired by the Bank of North Dakota, as Agent for the State Treasurer as Trustee of the State of North Dakota under the provisions of Chapter 154 of the Session Laws of North Dakota for 1919 and Chapter 292 of the Session Laws

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of North Dakota for 1923 and Acts amendatory thereof, is offered for recording, it shall be the duty of the County Auditor to enter such transfer and the Register of Deeds to record the same without regard to the payment of any taxes due thereon; and the provisions of Section 2212 of the Supplement to the Compiled Laws of North Dakota for 1913 shall not be applicable thereto. In such case, the County Auditor shall enter on every Sheriff's deed or other conveyances so transferred, over his official signature the words, "transfer entered," and it shall thereupon be the duty of the Register of Deeds to receive and record the same.

Approved March 3, 1927.

BARBERS

CHAPTER 101
(H. B. No. 41—Cox)

BARBERS' EXAMINING BOARD

An Act to Amend and Re-enact Sections 560, 566, 567 and 571 of Article 22 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Barbers' Examining Board of the State of North Dakota; and to Provide for Said Board Adopting Rules and Regulations Relating to Sanitary Conditions in Barber Shops, Prohibiting the Occupation of Barbering upon Certain People, and Regulating the Power of Said Board in Supervision of Barber Schools.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. REQUIREMENT OF REGISTRATION.] After July 1, 1927, no person, male or female, shall practice or attempt to practice barbering without a certificate of registration as a registered barber issued pursuant to the provisions of this act, by the Board of Barber Examiners hereinafter established.

After July 1, 1927, no person, male or female, shall serve or attempt to serve as an apprentice under a registered barber without a certificate of registration as a registered apprentice by the board.

After July 1, 1927, it shall be unlawful to operate a Barber Shop unless it is at all times under the direct supervision and management of a registered barber.

§ 2. PRACTICE DEFINED.] Any one or any combination of the following practices (when done upon the upper part of the human body for cosmetic purposes and not for the treatment of disease or physical or mental ailments, and when done for payment either directly or indirectly), constitutes the practice of barbering: Shaving or trimming the beard or cutting the hair;

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SESSION LAWS - NORTH DAKOTA - 1927

Depositors' Guaranty Fund Commission. Chapter 131. An Act to amend and reenact Section 9 of Chapter 200, Session Laws of 1923, the same being section 5220b9 of the supplement to the 1913 compiled laws of North Dakota, 1913-1925, relating to the Depositors' Guaranty Fund Commission.

Section 9. (S. 5220b9) Whenever the Commission shall acquire information leading it to believe that any bank admitted under such fund is being irregularly or inefficiently, or dishonestly conducted, or is insolvent, as that term is defined by the Banking Laws, it shall be its duty to investigate the same as promptly as possible as in Section 8 hereof provided; and at any time during the progress of such investigation if it appears that such bank is probably insolvent, such commissioner or inspector shall have authority to make an order requiring all deposits received during such examination to be set aside and held intact as "Special Deposits," which shall only be used to reimburse the depositor; and if at the close of such examination the commissioner or inspector shall find such bank to be insolvent within the meaning of the Banking Laws, he shall have authority to extend such order for such further period as shall be necessary to enable the Commission to meet and take action with reference to the affairs of such bank; but such meeting and action must be taken within thirty days from the time of extending such order. Upon completing such examination, such commissioner or inspector shall immediately prepare a report of the result thereof, and submit the same to the Commission and the State Examiner.

If from such report it shall appear to the Commission that the bank is involvent within the meaning of the Banking Laws, it shall have authority to immediately institute a proceeding in the district court of the county in which such bank is located, (or in any other court that may be by any law then in force, given jurisdiction of such proceeding) to liquidate such bank as an insolvent corporation, and procure the appointment of a Receiver to wind up its affairs, as provided for by Article 3 of Chapter 27 of the Code of Civil Procedure, and the general equitable jurisdiction of courts of equity to appoint receivers and wind up the affairs of insolvent corporations; or if by any law then in existence the exclusive right to institute such proceedings shall be vested in any particular officer or Board, the Commission shall certify the facts to such officer or Board, as the case may be, who must thereupon institute such proceedings.

In lieu of instituting such proceedings, the Commission may, in its discretion, permit such bank, within a time to be prescribed by it, to comply with such conditions as the Commission shall deem necessary to make it a solvent institution, but as a condition of granting such time, such bank must, by a resolution of its directors, endorsed on its minutes, consent to the continuing of the order aforesaid limiting the right to receive deposits, and to such continued supervision of its affairs as the Commission shall prescribe. The granting of such time to said bank to remedy its condition shall not abridge or limit the right of the Commission to institute such court proceedings, at any time it shall appear to its satisfaction that such bank is hopelessly insolvent, or unable to comply with the conditions prescribed.

Provided, however, the pendency of any proceedings for the liquidation of any such bank shall not be a bar to its reorganization or continuance as a banking institution, but at any time before the final disposition of such proceedings, such bank may make application to the Guaranty Fund Commission for leave to reorganize or remedy its condition, and be readmitted under the Guaranty Fund, and the Commission may thereupon prescribe the conditions as to assets, payment of liabilities, and the character and competency of the managing officers to be placed in charge of the affairs of such bank upon which it may be readmitted to said Guaranty Fund, which condition shall be submitted to the Court having jurisdiction, and if it approves thereof, it may make an order to that effect, and thereupon and upon such bank complying with the said condi-

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tions to the satisfaction of the Guaranty Fund Commission, it shall make an order readmitting the said bank, and the liquidation proceedings shall be thereupon discontinued on such terms as the Court shall direct; but no deposits shall be received by such reorganized bank until final approval of the Court is had, and the said proceedings actually dismissed. All expenses incident to such proceedings incurred by theCommission shall be presented to and audited by the State Auditing Board, and be paid out of the funds provided for in this Act to meet the expenses of the Guaranty Fund Commission.

Approved Feb. 11, 1927.

On Public Depositaries.

An Act to amend and reenact sections 714a8 and 714a13 of the supplement to the compiled laws of North Dakota for the year 1913, relating to the designating of depositories of public funds and fixing maximum and minimum rates of interest that may be paid thereon.

Section. 714a8. Board meetings, notice, proposals for deposits.

Section 714a13. Interest rates. "The rate of interest on all public funds deposited as herein provided shall not be less than one and one half per cent (1 1/2%) or over three per cent (3%) on daily balances subject to check or draft, credited monthly, and not less than three and one half per cent (3 1/2%) or over five per cent (5%) on time deposits. It is the intention of this act that depositories of public funds in this state shall pay substantially the same rate of interest thereon as such banks pay to individual depositors upon individual deposits.

Approved March 5, 1927.

Report of Public Deposits by State Treasurer.

Section 714a15 (to amend and reenact section 714a15 of the supplement to the compiled laws of 1913 relating to the report of the treasurer under the public depository law (714a1 to 714a20 of the supplement to the compiled laws of 1913).

"State Treasurer ... cause to have printed in pamphlet form a report as of December 31st and June 30th, showing the balances in all funds, the names of all depositories of such state funds, stating the amount of average daily balances and the amount of time deposits therein, thgether with the rate of interest paid on each class of deposits, and the amount of the bond furnished by each depository, ... Approved March 7, 1927.

State Examiner chapter 257

To amend and reenact Section 234, Compiled laws 1913, and Section 5146(10) of the Supplement to the compiled laws 1913, being subdivision 3 of chapter 219, Session Laws 1917.

S. 234. The only salary of the State Examiner for all services rendered in any capacity whatever shall be five thousand dollars per year, and his necessary and actual expenses incurred in the discharge of his official duties, to be audited and paid in the same manner as the salary and expenses of the state officers are paid. Provided, however, that said State Examiner shall act as Secretary of the Depositors' Guaranty Fund Commission without further compensation, and provided further that the Depositors' Guaranty Fund shall pay into the general fund of the state the sum of Two Thousand dollars until otherwise provided by law.

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S. 5146(11) (10). The salary of the office deputy shall be thirty-five hundred dollars per annum, and the salary of each other deputy shall be not less than fifteen hundred dollars nor more than three thousand dollars per annum, to be fixed by the State Banking Board, and in addition thereto each deputy shall be paid his actual and necessary traveling expenses when engaged in the discharge of his duties; the salary of the reconcilement clerk shall be eighteen hundred dollars per annum; and the salaries of all other clerks, stenographers and assistants shall be fixed by the State Banking Board.
Approved March 5, 1927.

Chapter 260. To amend and reenact section 224 of the compiled laws of North Dakota for the year 1913.

S. 224. There shall be a state Examiner who shall be appointed by the Governor and confirmed by the Senate. The State Examiner who holds office when this law takes effect shall continue as such until a successor is appointed by the Governor and confirmed by the Senate at its regular session in the year 1931, and thereafter the State Examiner shall hold his office for the term of four years and until his successor has been appointed, confirmed by the Senate, and qualified, unless sooner removed as herein provided. The state examiner shall be a skilled accountant, an expert in the theory and practice of bookkeeping, and shall not be an incumbent of any public office in the state, or of any county, municipality or public institution therein, and shall not own, hold or control any stocks, capital or bonds, or the office of trustee, assignee, officer, agent or employe of any banking, annuity, safe deposit, trust company, moneyed or savings institution or corporation, or of any corporation engaged in the business of guaranteeing or insuring the fidelity or faithful performance of the duties of, or the solvency of public officers or of public depositories, created under the laws of North Dakota, or created under the laws of any other state, or under the laws of the United States. In case of vacancy by death, removal, resignation or otherwise, the governor shall fill the same by appointment. The governor is authorized to remove from office any state examiner who violates, or fails faithfully to discharge the duties of his office, or becomes disqualified under the provisions of this section, and to appoint his successor, who shall hold office until the end of the next legislative assembly, unless sooner removed as above provided.

Approved March 5, 1927.

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(Initiated Constitutional Amendment.)

PROHIBITION

That Section 217, Article 20, of the Constitution of the State of North Dakota, be and the same is hereby repealed.

Disapproved June 27, 1928. 103696 to 96837.

(Initiated Constitutional Amendment.)

GUARANTEE OF BANK DEPOSITS

§ 1. By this Constitution the people of North Dakota do ordain and establish: The State of North Dakota has long assumed and exercised control of the business of banking within the state by regulating, restraining, and governing it, and in the year 1917 in pursuance of such general policy the state caused to be enacted a law providing for the establishment of a Depositors' Guaranty Fund, the purpose of which was to guarantee the payment of general deposits in state banks. Such fund has at all times been administered and controlled by the state, acting through its public officers designated by it for such purpose. By the enactment of such law and its administration by the state through its public officers, the people were led to believe, and did commonly understand and believe, that the credit of the state was pledged to secure the payment of all deposits in state banks; and relying upon such belief and understanding large numbers of the citizens of the state entrusted their savings and other money to such banks in the form of general deposits. Since the enactment of said Depositors' Guaranty Fund Act and up to and including the 15th day of May, 1928, more than three hundred (300) state banks have become insolvent and have closed, which insolvent banks have general depositors numbering more than eighty thousand (80,000) people of the state, whose deposits aggregate approximately $25,000,000.00 over and above the ability of such banks to liquidate. It has become apparent that such deposits cannot be paid by the insolvent banks nor by the Depositors' Guaranty Fund, nor by the combined resources of said banks and said fund, and because thereof the depositors aforesaid will lose their earnings and savings and many thereof be reduced to poverty and want unless the state shall assume the burden or reimbursing such depositors. By reason of its general policy of regulating and controlling the banking business, and particularly by its enactment of said Depositors' Guaranty Fund Act and its administration thereof through public officers, the state is morally obligated to such de-

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positors, and its failure to fulfill its moral duty to pay such claims will adversely affect its credit and will engender in the minds of its citizens distrust and lack of confidence in the Government. We therefore declare it essential to the general welfare of the state and the prosperity and tranquillity of the inhabitants thereof that the State of North Dakota should discharge its moral obligation and pay the claims of such depositors, and that the payment thereof is in the furtherance of a public purpose to which money raised by general taxation may be properly devoted.

§ 2. The State of North Dakota shall pay, without interest, any balance that may remain due on all claims based on general deposits in state banking associations which have become insolvent and closed between January 1, 1919, and May 15, 1928, after crediting thereon payments that have been made or may hereafter be made by dividends in the course of liquidation of such insolvent associations.

§ 3. Immediately upon the taking effect hereof the Governor and State Treasurer shall prepare and issue under their hands, attested by the Secretary of State and the great seal of the State, bonds of the State of North Dakota in an amount not to exceed $25,000,000, in denominations of from $100.00 to $5,000.00, bearing interest at a rate not exceeding five per cent (5%) per annum. Such bonds shall be issued in series payable 10, 15, 20, 25, and 30 years after the date of issue, the amount of each series to be determined by the Governor and the State Treasurer. Such bonds shall be sold from time to time as in the judgment of the Liquidating Board, hereinafter provided for, the proceeds shall be needed for the purposes herein specified, but they shall not be sold for less than par.

§ 4. From and after the taking effect hereof the Depositors' Guaranty Fund is abolished, and the Depositors' Guaranty Fund Commission shall account to the Liquidating Board herein provided for for all funds and assets in its possession for the benefit of the state, and no law shall be enacted providing for the guarantee of bank deposits.

§ 5. The Governor, State Treasurer, and Secretary of State are hereby constituted a board to be known as the Liquidating Board, which is charged with the administration of all matters connected with the allowance and payment of claims of depositors herein provided for. In the event any question arises whether a claim is based upon a deposit or as to the amount of such claim, it shall be the duty of the Liquidating Board to pass upon such question, and if it shall decide adversely to the claimant he shall have a right within sixty (60) days after written notice of such decision to

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bring an action against the Liquidating Board in the District Court of Burleigh County to establish the deposit or the amount due thereon, which action shall be triable to the court.

The Liquidating Board may employ and fix the salary of an Executive Secretary, and delegate to him such part of its duties as it shall see fit, his acts, however, to be always subject to the approval of such board. The Executive Secretary shall take the constitutional oath of office and devote his entire time to the duties of his office. Such board may also employ and fix the salaries and duties of other assistants and clerks as it shall deem necessary to the prompt discharge of its duties hereunder.

§ 6. Upon the payment of any deposit the state shall be subrogated to all rights of the depositor against the Receiver of the bank of deposit, which right shall be enforced by the Liquidating Board; and the proceeds thereof, together with any assets received from the Depositors' Guaranty Fund Commission, shall be used in furtherance of the purposes of this amendment, in such manner as shall be provided by the legislature.

§ 7. It is the purpose and intent hereof that money due depositors in excess of the amount that will be paid in course of liquidation of closed banks should be paid by the state speedily and to that end the Liquidating Board is empowered to make rules and regulations for determining the validity of depositors' claims and the amounts thereof in advance of the final liquidation of such banks; and it may pay in advance of such liquidations such part of any deposits as it may determine to be just and expedient.

§ 8. This article shall be construed as a separate, distinct, and additional article to the Constitution as it now exists, and it shall not affect the right of the state to incur indebtedness for other purposes as now provided by the Constitution, and when any bonds issued hereunder have been paid they shall not be reissued or other indebtedness incurred in their place.

§ 9. In the month of August, 1929, and each of the four succeeding years, the State Board of Equalization shall levy and certify to the various county officers a tax of one mill on the dollar of the assessed value of all taxable property in the State of North Dakota, which tax as collected shall be set aside as a fund for the payment of interest and principal of the bonds herein provided for. At the regular session of 1933 the legislature shall by law provide for the levy of a tax upon all taxable property in the state, sufficient to meet the interest upon and pay the bonds issued hereunder when due, which tax shall be in addition to all other taxes authorized by the Constitution. In case of the failure of the legislature to make such

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provisions at such session, the Board of Equalization shall continue to levy the said tax of one mill annually until such legislation has been provided.

§ 10. The provisions of this amendment are hereby declared to be self-executing, and shall be immediately carried out, but the legislature shall pass laws to facilitate its operation and shall appropriate the necessary funds to meet the expenses thereof. Until such appropriation shall have been made the Liquidating Board may meet its expenses out of any funds accounted for by the Depositors' Guaranty Fund Commission.

§ 11. Speculation in depositors' claims shall be unlawful and any purchase of such claims for speculative purposes shall be void.

§ 12. In the event any Court should declare any provision or part of this Constitutional Amendment invalid for any reason, or should declare the same invalid as applied to any class of deposits, such adjudication shall not affect the validity of the remaining provisions or parts of this amendment or its applicability to other classes of deposits.

Disapproved November 6, 1928. 218270 to 24755.

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Chapter 87. Financial Statement Receiver Closed Banks.

S.1. When any bank shall hereafter become insolvent and pass into the hands of a receiver, such receiver shall, within sixty days after the closing of such bank, mail to each stockholder, depositor and creditor of such bank whose name and address appears on the records of the closed bank, a statement showing the assets and liabilities of such bank as of the date of its closing. It shall be the duty of said receiver annually thereafter, to mail to each stockholder, depositor and creditor of such closed bank, a statement of the affairs of the receivership, which statement shall show the amounts collected since the last statement was rendered, the disposition made of the funds collected and the amount of assets on hand at the time of rendering such annual statement.

S. 2. The receiver of a bank which passed into receivership prior to the taking effect of this act, shall, not later than September 1, 1929, prepare and mail to each person described in Section 1 hereof, a statement showing the assets and liabilities of such bank as of the date upon which said receiver took charge thereof; said receiver shall at the same time prepare and mail statements showing the true condition of the affairs of the said bank as shown by the last report submitted by the receiver to, and approved by, the court. Annually thereafter statements shall be prepared and mailed as provided in Section 1 of this act. Approved March 8, 1929.

Chapter 88. Investment of funds by savings banks.

Amending S. 5198 of the Supplement to the compiled laws of 1913 relating to investment of funds by savings banks.

S. 5198. A savings bank incorporated hereunder shall invest its deposits as follows:

1. In bonds of the United States.

2. In bonds or evidences of debt in this state or in the bonds of other states in the Union.

3. In bonds or warrants of any county in this state or in the bonds or warrants of any city in this state, or in the bonds or warrants of any village, township, or school district in this state, issued pursuant to the authority of law, but not exceeding thirty per cent of the assets of such savings bank shall be invested in such bonds or warrants.

4. In notes or bonds secured by mortgage or deed of trust upon unincumbered real estate in this state, which real estate shall be worth, exclusive of all improvements, at least twice the amount loaned thereon, but in addition thereto, there may be loaned thirty per cent of an appraised value of any buildings on said real estate provided fire insurance policies are maintained and deposited as collateral to such mortgage.

5. In the mortgage bonds of any railraod corporation, incorporated under the laws of any State of the United States, provided that during each of the ten fiscal years of such railroad corporation next preceding the date of such investment:

Such railroad corporation shall have paid the matured principal and interest of all its mortgage indebtedness.

Such railroad shall have paid in dividends in cash to its stockholders, an amount of at least four per cent per annum upon all its outstanding stock of every class.

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6. In listed first lien, public utility, industrial or foreign bonds, but not more than ten percent of the capital and surplus shall be invested in any one issue thereof; and not more than twenty-five per cent of the total deposits shall be invested in bonds of all of the above classes, in this section.

7. In promissory notes, not to exceed forty per cent of the total deposits, due not more than one year from the date of the loan; when securities as permitted in above sections, are pledged as collateral to a loan, there may be loaned thereon an amount not in excess of eighty per cent of the value thereof. In no event shall more than fifteen per cent of the capital and surplus of a savings bank be loaned to any one person, firm or corporation.

Approved March 8, 1929.

Depositors guaranty fund.

An Act providing for the discontinuance of further assessments by the Depositors' Guaranty Fund Commission for the collection and distribution of its assets, the dissolution of such commission, the disposition of its books, records and assets, and repealing all acts or parts of acts in conflict herewith.

S. 1. Discontinuance of assessments. From and after July 1st, 1929, the depositors' guaranty fund commission shall levy no further assessments under the provisions of Chapter 31-B of the Supplement to the Compiled Laws of the State of North Dakota for the year 1913, known as the Depositors' Guaranty Fund Act, but shall under the provisions of said Chapter 31-B of the Supplement proceed to complete its records as to all banks closing prior to said date, collect all assessments theretofore levied, and convert its assets, or as much thereof as is possible, into cash and except as to assessments as in this section provided, the said Chapter 31-B of the Supplement shall continue in full force and effect during the continuance of this act.

S. 2. Disbursement of fund. On or before the 1st day of December, 1930, said depositors' guaranty fund commission shall disburse and pay the balance of the funds in its hands to depositors in banks closing prior to July 1st, 1929, such funds so remaining in its hands at said time to be disbursed among depositors holding claims approved and allowed by said depositors' guaranty fund commission who have not theretofore received a divided from said fund and to be disbursed in the manner now in operation under said Chapter 31-B of the Supplement.

S. 3. Dissolution of Commission. On December 31st, 1930, the depositors' guaranty fund commission shall deliver to the state examiner for the State of North Dakota, all of the books, records, assets and property belonging to it or then in its custody; make and deliver to the governor for the benefit of the next legislative assembly, a final report of its operations; and such commission shall thereupon cease to exist.

S. 4. Custody of records and remaining assets. The state examiner for the State of North Dakota, shall, as speedily as possible, convert all assets so received by him into cash and deposit the proceeds thereof in a fund to be known as the Depositors' Guaranty Fund, which fund shall be disbursed pro-rata by the state examiner among depositors holding claims approved and allowed by said depositors' guaranty fund commission who have not theretofore received a dividend from the Guaranty Fund.

S. 5. Repeal. All acts or parts of acts in conflict herewith are hereby repealed; provided, however, that the provisions of this act shall not release any bank, trust

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company or corporation from any assessment which has been levied by the guaranty fund commission prior to the time this act becomes effective.

Approved March 6, 1929.

NOTE - Referendum petition has been filed against Senate Bill 104, Chapter 122 herein, requesting that said measure be submitted to the electors at the primary election to be held June 25, 1930.

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SESSION LAWS - NORTH DAKOTA - 1931
DEPOSITORS GUARANTY FUND.

Chapter 135.

An Act relating to the administration of the Depositors' Guaranty Fund by the State Examiner, limiting the time within which claims may be presented against the Depositors' Guaranty Fund, providing for the distribution of unclaimed dividends, providing for the disposition of receiver's certificates held by said fund, and providing for a transfer of any balance in the appropriation made for the Depositors' Guaranty Fund Commission to the credit of the State Examiner.

S. 1. A depositor whose claim shall have heretofore been certified for approval by the Depositors' Guaranty Fund Commission may perfect such claim by filing with the State Examiner the proofs required by said Depositors' Guaranty Fund Commission at any time within six months after this act shall take effect, but in the event of the failure of such depositor to so perfect his claim within such period, such claim shall be forever barred as a claim against the said Depositors' Guaranty Fund.

S. 2. The State Examiner is hereby authorized to pass upon the sufficiency of the proofs so adduced, and his action in accepting or rejecting such proofs shall be final and conclusive.

S. 3. Any dividends heretofore declared by theDepositors' Guaranty Fund Commission which shall remain unclaimed for a period of six months after this Act takes effect, and any dividend checks heretofore issued which shall not be presented for payment within said six months' period, shall be annulled and cancelled and no payment shall be made thereon; and the claims upon which such dividends were based shall be barred as claims against the Depositors' Guaranty Fund. The funds reserved for the payment of such dividends shall be covered into the general fund of the said Depositors' Guaranty Fund.

S. 4. After the dividends heretofore declared by the Depositors' Guaranty Fund Commission have been paid or the same have been barred as hereinbefore provided, the moneys then remaining in the Depositors' Guaranty Fund shall be disbursed pro rata by the State Examiner among depositors holding claims approved by said Depositors' Guaranty Fund Commission who have not theretofore received a dividend from the Guaranty Fund.

S. 5. The State Examiner in paying dividends from said Depositors' Guaranty Fund may make such distribution directly or through the receivers of the several banks, and said State Examiner is hereby authorized to make all necessary rules and regulations for the distribution of the said fund.

S. 6. In the event any depositor shall fail to present his certificate of indebtedness, or do any other act requisite for the payment of any dividend within six months after the same shall have been required by the State Examiner, or in the event any depositor shall fail to present for payment any dividend check hereafter issued to him within six months after the same shall have been issued, all rights of such depositor to such dividend shall cease and terminate, and no payment shall be made upon such dividend check; and the same shall be cancelled upon the records of the State Examiner and the funds represented thereby shall revert to the Depositors' Guaranty Fund.

S. 7. All right, title, and interest of theDepositors' Guaranty Fund, in and to all receiver's certificates which have heretofore been assigned or issued to said Depositors' Guaranty Fund, shall inure to the benefit of the holder of the certificate of indebtedness issued by Depositors' Guaranty Fund Commission upon the claim represented by such receiver's certificate. All such receiver's certificates, issued upon claims against banks which are still in process of liquidation, shall be, by

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the State Examiner, surrendered to the receiver of such bank, together with a certificate showing the name and address of the holder of the respective certificates of indebtedness as shown by the records in his office, and the receiver of said bank may thereafter pay all dividends payable by him to the holder of such certificate of indebtedness. The person, shown by the certificate of the State Examiner to be the owner of such certificate of indebtedness, shall be deemed the owner thereof until proof to the contrary shall be made, in accordance with the rules of such receiver, and the court having jurisdiction thereof.

S. 8. Any claims of depositors which had been presented to the receiver of a closed bank before December 1, 1930 and allowed by such receiver, but upon which final action has not been taken by the Depositors' Guaranty Fund Commission may be heard and determined by the State Examiner, and his action thereon shall be final. The State Examiner may make rules and regulations for the hearing and determination of such claims.

S. 9. The State Examiner shall have authority to issue certificates of indebtedness in lieu of those which have heretofore been issued, provided no additional liability is created thereby, and he may prescribe rules and regulations in connection therewith.

S. 10. The State Examiner may employ such assistance, as may be necessary, to carry out the provisions of this act.

S. 11. Any balance, remaining in the biennial appropriation made by the Twenty-first Legislative Assembly for the benefit of the Depositors' Guaranty Fund Commission, is hereby transferred to the State Examiner for his use in carrying out the provisions of this act.

S. 12. In the event such appropriation shall be insufficient to meet the expenses of administering such Fund and carrying out the provisions of this act, the State Examiner may pay such expenses out of the Guaranty Fund, but all expenses so paid shall be audited as are other expenses.

S. 13. Any moneys which shall remain in the Guaranty Fund after the payment of the expenses of administration, and after the payment of said dividends has been completed, either by reason of unclaimed dividends or otherwise, shall be transferred into the general fund of the state.

S. 14. Emergency. An emergency is hereby declared to exist and this act shall take effect and be in force from and after its passage and approval.
Approved March 9, 1931.

Referred Measure - Chapter 122 (S.B. 104 - Session Laws 1929)

Repeal Depositors' Guaranty Fund Act - An act providing for t e discontinuance of further assessments by the Depositors' Guaranty Fund Commission for the collection and distribution of its assets, the dissolution of such commission, the disposition of its books, records and assets, and repealing all acts or parts of acts in conflict herewith.

Approved June 25, 1930.

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FE. Court's Decisions

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These seven pages cover all cases (six) listed in Third Decennial Digest 1916 to 1926 and Fourth Decennial Digest 1926 to 1936 under Banks and Banking. Key number 15. But see over.

DECISIONS OF THE NORTH DAKOTA SUPREME COURT.

McQuerry v. State 195 NW 432 50 NW 229 Oct 12, 1923

N. D. REPORTS. Vol. 50. SUMMARY p. 229.

E. McQuerry, Appellant, v. State of North Dakota, The Depositors Guaranty Fund Commission of the State of North Dakota, and R. A. Nestos, B. J. Schorregge, M. R. Porter, S. C. Severtson and Gilbert Semingson, as Members of the Guaranty Fund Commission of the State of North Dakota, Respondents. (195 N. W. 432.)

Banks and banking - holder of certificate of deposit drawing excessive interest held not within protection of depositors' guaranty fund.

Where money is advanced to a bank under an arrangement whereby it is to purchase liberty bonds under par and issue to the one advancing the money a certificate of deposit in an amount equal to the par value of the bonds, and where a time certificate is subsequently issued in an amount representing a rate of return on the money advanced in excess of that permitted by paragraph 8, ch. 126, Session Laws for 1917 (the Depositors' Guaranty Law), the holder of the certificate of deposit does not have a valid claim against the depositors' guaranty fund.

Coverage

Wirtz v. Nestos 200 NW 524, 51 ND 603 Sept 20, 1924

N. D. REPORTS. Vol. 51. Parts - Summary -p.604.

NW Reporter 199-200 p. 527

Banks and Banking - legislature in absence of statutory procedure of depositors to liquidate and certify claims to commission authorized to modify plan of original act as to order of payment.

3. Altho depositors, as plaintiffs contend, may, under the law of 1917, in some circumstances, have been entitled to payment in full out of the Guaranty Fund in the order in which banks closed, yet, since the State Examiner, the plaintiff, and others similarly situated with him, had not taken the required steps to determine, liquidate, and certify claims to the Guaranty Fund Commission, prior to the taking effect of the law of 1923, altho the Security State Bank and the Havelock Bank closed in November 1920, it was competent for the legislature of 1923 to modify the plan of the original act so as to authorize the Guaranty Fund Commission, in its discretion, to pro rata payments upon claims of depositors in the numerous banks that had closed when the legislature convened, rather than to require payment in full to a few depositors, leaving the large majority to wait indefinitely.

Question as to use of guaranty fund to aid banks not decided.

7. Whether the Guaranty Fund Commission may use the Fund temporarily to aid going banks or to salvage the assets of closed banks, for the benefit of the Fund, is not involved or decided.

Banks and banking -- constitutional law -- discretion of commission under guaranty fund law in passing on depositor's claims cannot be controlled or directed by the courts.

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One other case that reached the State Supreme Court and has some pertinance to the deposit guaranty law is that of

Sargent County v. State (1921), 182 N.W. 270, 47 N.D. 561

This pertained primarily to the status of the Bank of North Dakota. However, it contains a reference to an initiative law, approved at the Nov. 2, 1920, election under which municipal subdivisions were authorized to deposit their funds in State or national banks, after having been required under the 1919 law establishing the Bank of North Dakota — to place all such funds in the Bank of North Dakota

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8. The Commission, under the law of 1923, is required to determine whether claims presented are valid and legal claims against the Guaranty Fund; under that law the Commission must exercise legal discretion and judgment in passing upon such claims; such discretion cannot be controlled or directed by the courts.

p. 612.

The basic theory of the plaintiff is that depositors in banks that closed prior to July 1, 1923, when the new or amended act went into effect, are, as a matter of law, entitled to payment from the Guaranty Fund in the order of time in which the banks closed. Manifestly, if the law does not thus prescribe the order of payment, and if the Commission have some discretion in that regard, and there has been neither fraud nor abuse in the exercise thereof, payment cannot be compelled by the courts contrary to the statute, or the decision of the Commission in the lawful exercise of its discretion.

p. 614.

It is strongly urged that under the law of 1917 it was the mandatory duty of the Guaranty Fund Commission to pay all claims against the Fund immediately and in the order in which banks became insolvent and closed. Assuming that the law of 1917 contemplated that payment be made immediately and in the order in which the banks closed, was it competent for the legislature to amend this act, as it did in 1923, so as to measure plaintiff's rights as to time and order of payment and procedure in acting on his claim by the new act, which unquestionably gives the Commission wide discretion in these respects?

p. 616.

It is evident that extensive bank failures were not anticipated by the legislature of 1917, which enacted the original Guaranty Fund Law, Section 15 of that act provided that when a bank within the act suspended or became insolvent, the State Examiner must determine "the pro rata amount due from each bank necessary to pay the unsecured depositors in full and cause the same to be certified to the Depositors Guaranty Fund;" this section then required the State Examiner at the same time to "certify to said Depositors Guaranty Fund Commission the amounts due to the several depositors of such insolvent bank and also, at the same time, certify any amounts that may be owing by said depositors to said bank." The treasurer of the commission "shall thereupon draw against the Depositors Guaranty Fund on deposit in the several banks in the amount thus certified, and shall immediately transmit to such depositors the amounts due them, less any amounts that may be owing by said depositors to such bank." If the fund on

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hand be inadequate to pay the claims, certificates of indebtedness were to be issued, negotiable in form, in favor of the bank and such certificates were to be paid out of the first money accruing to the Fund. Sec. 16 provided that the commission, for the use and benefit of the fund, should be subrogated to the rights of depositors paid and might participate in the assets of the insolvent bank; this right the State Examiner was required to enforce.

The legislature of 1923, when chapter 200 of the laws of that session was enacted, had before it a serious condition, caused by the closing of a large number of banks, the first of which went down in 1920, with large claims, actual and potential, against the Guaranty Fund. The situation, contrary to that which was before the legislature in 1917, clearly disclosed that it would be possible to pay immediately or within a reasonable time, from assessments levied against functioning banks, only a comparatively small number of the depositors in the banks then closed, without imposing burdens on open banks that would lead to general insolvency and collapse of the state banking system. Whether the power exist to impose such a burden, we need not decide. It was also evident from the extent of the liabilities of closed banks to depositors and consequent potential and probable liability of the Guaranty Fund to such depositors, that if the depositors were paid in full by levying assessment to the maximum legally permissible, as well as practically possible, under the law, in the order in which closed, the result would be that depositors in banks which closed last, or even a few months after those which first suspended, could not be paid any portion of their claims for a long period. Consequently, and doubtless in the interest of justice, as it seemed to the legislature, the provision for payment to depositors under the law of 1917, as made in paragraph 15, thereof, was fundamentally changed. It is provided in paragraph 21, ch. 200, Session Laws 1923, that if the Guaranty Fund be insufficient to pay the claims of depositors duly allowed, the Commission may pro rate payments upon certificates of indebtedness from the fund on hand. That is, the legislature decided that instead of exhausting the Fund in paying depositors in banks that first closed and leaving others to wait for an indefinite period, it would be more just and equitable to provide that as many claimants as possible should receive a dividend upon their claims within a reasonable time.

In further contrast with the provisions of paragraphs 15 and 16, Act. of 1917, supra, paragraph 22 of the law of 1923 provides that to the extent of deposits allowed as guaranteed the Guaranty Fund Commission is subrogated to the rights of such depositors to participate in the assets of "such closed bank," and that such right shall be enforced by the Secretary of the Commission; that from time to time, as the assets are liquidated and cash realized thereon, the same shall be pro rated as a payment upon the certificates issued "to the guaranteed depositors of the closed bank from which such payment had been received until full payment is made to the holder of such certificate." The surplus remaining after payment to holders of certificates as aforesaid is turned into the Fund and becomes available for payment as a general dividend upon all outstanding certificates of indebtedness.

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Some of the changes made by the act of 1923, not already indicated, so far as pertinent to any matter involved in this appeal, are as follows: The commission acts on all depositors' claims against the fund; under the old law, the State Examiner acted thereon; provision is made for a hearing on all claims disallowed; no such provision was made in the original act; it is expressly provided that the decision of the commission shall be final; the commission may pro rate payments from the fund and may use the fund in giving temporary aid to open banks and in salvaging assets of closed banks, when so doing seems likely to benefit the fund and depositors in closed banks; the original act was silent or contained no express provisions on these points; whether the power could have been implied need not be decided. The State Examiner is no longer a member of the commission. Other changes are referred to in the course of the opinion.

It will be perceived that the legislature of 1923 undertook to change substantially, not only the time and manner of paying the claims of depositors in closed banks, but the relation of depositors to the Guaranty Fund and of the Guaranty Fund to the individual banks. It, therefore, becomes necessary to determine to what extent, if any, depositors in banks that had closed before the law of 1923 went into effect, but whose claims had not been submitted to or acted on by the State Examiner and by him certified to the commission, had acquired vested rights or vested interests in the fund which at that time had been accumulated by the Commission pursuant to the law of 1917. Specifically, in the case at bar, had the right of the plaintiff to participate in the Guaranty Fund become a vested right or a vested interest which the legislature of 1923 could not disturb or substantially change? If his right or interest had become vested, it is contended that the legislature of 1923 possessed no power either to take it from him, or to postpone materially his enjoyment of it, by giving the commission discretion as to the time and order of payment where, it is assumed, none existed before.

bottom p. 619.

We think plaintiff's claim was, at most, an imperfect, inchoate degree of property and not a vested right or interest. A cause of action in his favor and against the commission had not come into existence when the new law went into effect for the reason that the Bank Examiner had certified nothing pertaining thereto to the commission, as required by the old law. If the plaintiff acquired a vested right in that portion of the Guaranty Fund which had been collected at the time the bank merely because he was a depositor therein, then all depositors in banks that closed before the law of 1923 went into effect acquired a similar vested right to payment in full from that part of thefund which had been accumulated through assessments made prior to July 1, 1923, in the order in which the banks closed. If that were the correct construction of the statute, it would operate to deprive the overwhelming majority of the depositors in closed banks of any payment whatever on their claims from the existing, altbgether inadequate Guaranty Fund. Payment as to them would necessarily be postponed to such remote period as would be required to replenish the fund. The result would be that a plan obviously devised to protect all depositors equally would, through judicial construction, be made to give full protection to some and practically no protection to others. The difficulties, complications and injustice that would arise from such a construction of the law would render its administration cumbersome and costly, would to a great extent defeat the legislative purpose common to the act of 1917 and to that of 1923. These considerations doubtless influenced the legislature to enact

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chapter 200, Session Laws 1923. Whether approval of a claim as guaranteed by the State Examiner would have created a vested right which the legislature could not have disturbed by subsequent legislation, is not decided. But see Louisiana ex re. Folsom v. New Orleans, 109 U. S. 285, 27 L. ed. 936, 3 Sup. Ct. Rep. 211.

In determining the question whether any vested right of the plaintiff, or of others similarly situated, was violated by the law of 1923, regard must be had for the purpose the legislature had in view. It is a familiar rule that there is no vested right in wrong; with particular reference to the situation before us, it may likewise be said that there is no vested right in inequity. Considering, for the moment, that aspect of the legislative purpose which bore directly upon the interest of depositors in banks, as apart from the general public interest, that purpose could be fully accomplished under the law of 1917, operating under normal conditions as then known, understood and anticipated by the legislature. Abnormal and unforeseen calamities overtook the banking business during the period intervening the enactment of the law of 1917 and that of 1923, apparently commencing in 1920, with the result that the legislative purpose, the same in each instance, both with respect to the public interest and the specific interest of individual depositors, could have been but very inadequately accomplished in the manner prescribed by the act of 1917, but could be, to a greater, and, in the judgment of the legislature, a more equitable extent, attained by the beneficent purpose of the law, from the general standpoint of the public interest, as well as from the viewpoint of individual depositors, would be better served by providing an equitable, pro rata distribution of the Guaranty Fund among a large number of depositors than by paying all the depositors in one, two or three banks, while leaving the depositors in eighty or a hundred banks to wait indefinitely for payment from the guaranty fund. We think that the general statement of the rule in 2 Story, Const. 5th ed. 674, applies to the situation presented in the record. "A party has no vested right in a rule of law which would give him an inequitable advantage over another; and such rule may, therefore, be repealed and the advantage thereby taken away." (Italics are ours.) The assessment, creation, and administration of the fund, from whatever standpoint considered, are made pursuant to a legislative policy, which may be changed at will; the payment of the assessment is compulsory, (failure to pay it is followed by results substantially identical with those that follow when special assessments against property are not paid, the property--here the right to do a banking business--may be taken) does not rest upon contract in any respect, and the legislative wisdom which dictated the adoption of that policy may likewise alter or abondon it. We are, therefore, of the opinion that the depositors in closed banks, who had taken no steps to have their claims determined, liquidated, and allowed in the manner provided by the act of 1917, or concerning which facts had not been certified to the Commission, as provided in that law prior to July 1, 1923, had no such vested right or interest in the continuance of the plan of payment from the Guaranty Fund provided in that act as to render it incompetent for the legislature to change this plan in 1923 so as to provide for the paying of dividends upon a large number of claims, according to the sound discretion of the commission, rather than to pay the depositors in one or two banks in full, while leaving all others to wait indefinitely.

The majority opinion draws a shadowy line between an imperfect, inchoate degree of property and a vested right. I am satisfied that the complaint is sufficient under liberal rules of construction to show an accrued right, indeed, a vested right, if highly technical distinctions are to be drawn. If plaintiff's claim must be termed an imperfect, inchoate degree of property, the degree results not from plaintiff's acts but from the failure of state officials to follow the law. Under fair rules of construction applied to the allegations of the complaint,

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such as should be applied in cases of a demurrer thereto, considered in connection with the law applicable to such allegations, plaintiff's claim may have received every act of approval requisite for its payment out of the old Guaranty Fund.

In my opinion the state chargeable as a trustee of the old Guaranty Fund to whatever extent plaintiff may establish his right under the allegations of his complaint. In this proceeding I am not concerned, so far as plaintiff's right is concerned, with the powers and duties, or even concerning the suability, of the Guaranty Fund Commission under the new law. The point is that depositors in closed and insolvent banks, whose right under the old Guaranty law had accrued before the enactment of a new Guaranty law, possess the right to charge the state as trustee of the fund established and constituted so for their benefit; and to maintain an action against officers of the state charged with its administration to enforce their rights.

I deny that the state, or any of its officers, with respect to plaintiff's accrued right, may take this trust fund from John Jones or Henry Smith and hold it for some different Jones or Smith who may, some time in years to come, perhaps, be a depositor in another insolvent bank; or likewise, that this trust fund, under the old Guaranty Fund law, so far as it must be devoted to the right of Smith or Jones, can be taken by a state officer and used for the purpose of rehabilitating or financing various or any going banks in this state.

Standard Oil Co. of Indiana v. Engel 212 N.W. 822 : 55 N.D. 163 March 6, 1927

STANDARD OIL COMPANY OF INDIANA, a Corporation, appellant, v. A. W. ENGEL, H. A. Fischer, S. G. Severtson, A. G. Sorlie, C. R. Green, as Members of and constituting the Depositors' Guaranty Fund Commission of the State of North Dakota, Respondents. (212 N.W. 822.)

BANKS AND BANKING - POWER OF GUARANTY FUND COMMISSION.

1. The Guaranty Fund Act, chapter 126, Sess. Laws 1917, amended and reenacted as chapter 200, Sess. Laws 1923, providing for the creation and administration of the depositors' guaranty fund for the purpose of insuring the repayment of deposits made in banks chartered and from time to time inspected and examined by state authority, reposes in the guaranty fund commission the power to pass upon and finally allow or reject the claims of alleged depositors against the fund.

BANKS AND BANKING - DUE PROCESS OF LAW.

2. The Guaranty Fund Act empowering the guaranty fund commission to pass upon and finally allow or reject claims of alleged depositors against the guaranty fund is not subject to the objection that it is unconstitutional in that it deprives claimants against the fund of their property without due process of law, vests judicial power in the commission, an administrative board, and denies to claimants the right to their day in court.

MANDAMUS - DOES NOT LIE AGAINST GUARANTY FUND COMMISSION.

3. The guaranty fund commission exercises legal discretion and judgment in passing upon claims against the guaranty fund, and mandamus will not lie to control or direct the action of the commission in passing upon the validity of such claims.

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March 15, 1927
55 N.D. 178

Bishop v. Depositors' Guaranty Fund Commission 212 NW 828, n

DELLA BISHOP and WM VAUGHAN, Appellants, v. DEPOSITORS' GUARANTY FUND COMMISSION, Respondent. (212 N. W. 828)

MANDAMUS DOES NOT CONTROL BANK DEPOSITORS' GUARANTY FUND COMMISSION.

1. The writ of mandamus will not issue to control the action of the Depositors' Guaranty Fund Commission in the performance of its duties in passing on the claims of alleged depositors against the depositors' guaranty fund. Standard Oil Co. v. Engel, ante, 163.

CERTIORARI DOES NOT LIE TO REVIEW ACTION OF BANK DEPOSITORS' GUARANTY FUND COMMISSION.

2. Certiorari will not lie to review the action of the Depositors' Guaranty Fund Commission in passing upon the merits of claims of alleged depositors against the depositors' guaranty fund.

Note. This decision immediately followed that in Standard Oil Co. of Indiana v Engel and followed from that decision. In this case the Commission rejected the claim because the excessive rate of interest (6-7%) thereon the certificate read 6%, the excess being credited to the depositor at the time the deposit was made, according to the books of the bank

State ex rel Wiff v. Sorlie et al State Depositors Guaranty Fund Commission
Referred to as State v. Sorlie 212 NW 829, 55 N.D. 182 Mar. 15, 1927

Note. This was another case where a depositor sought court action to obtain payment from the guaranty fund of a claim rejected by the Depositors Guaranty Fund Commission. Court refused to review the decision of the Commission the two previous cases being referred to. This claim (a portion of the total deposit) was rejected by the Commission "for the reason that it represented an exchange of checks and not a bona fide deposit."

State ex rel Sorlie, Greene, et al v First National Bank of Bluetman
Referred to as State v. First Nat. Bank 224 NW. 161, 57 N.D. 574 Feb 15, 1929

Note. In this case the state claimed that a bank that converted to national - in pursuance with law, but without obtaining approval sought from the Commission was required to pay assessments + there for to protect depositors in banks already failed. Court held that assessments & bond deposits, needed to pay claims collected after the date of conversion to a national bank.

Advertisement in appeal - will be

State Examiner Reports
Deposit Forms
Guaranty Fund Commission

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NORTH DAKOTA - Notes re supervisory experience - Comments on data in reports of State Examiner.

No data re expenses of Dept.

Names of State Examiner

J.R. Waters - signed reports for 1916-17 [Preceding years report by H.J. Johnson]
1917-18
[1918-19 Report not in file]

O.E. Lofthus - " " " 1919-20
1920-21

Gilbert Semingson (assumed office on Nov. 22, 1921) 1921-22
1922-23
1923-24
1924-25
1925-26
1926-27
1927-28
1928-29
1929-30 [and not to include 1932-33]

Membership of Pipeline Securities Joint Commission (from minutes of Commission)
Other than Governor

July 12, 1917	July 16, 1919	Jan 11, 1921
J.R. Waters - State examiner	O.E. Lofthus	O.E. Lofts
	Oct 7, 1917	
B.J. Schnegge (2yrs)	B.J. Schnegge	B.J. Schnegge
H.E. Hanson (3yrs)	H.J. Hazen	S.D. Severtson
O.S. Hanson (1yr)	O.S. Hanson	Samuel Torgerson

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NORTH DAKOTA -

Appropriation of State Examiner

	1917 Session Laws p.25	1919 Dept of Banking Laws, p. 26	1921 Laws p.15	1923 Laws p. 27	1925 p.25	1927 p.27-28	1929 p.25
State examiner @3000	6,000	6000	6000	6000	6000	10000	10000
Chief deputy " @2500	5,000	2600 5600	5600	5600	5600	7000	7000
Deputy " (office) 2000	4000		4400		4800		
8 " " (banks) 2000	32000	32000 (9)	36000	36000	36000	36000	30000
5 extra			10000	10000			
Total for office of State Examiner	95,550	110,000	148390	153030	125,230	136580	110580
~~Estimated for bank examination and supervision - 60%~~	57.330	66.000	89034	91,818	75,138	81,948	66,348
			p 38	p 37	pp 26&31	p 29	p.26
Depositors Guaranty Fund Commission			18825	18.800	49800 19450	49050	32000.
Special - to reimburse fund under ch 200 of 1923 laws					8000	8000	6000

Includes for supervisions or inspection

Total for bank examination, supervision + guaranty fund	57,330	66,000	107,859	110,618	124,938	130,998	98,348
			55 [illegible]			65.0	

per year about

Note ratio of bank exam to city [illegible]

36000
24000
60000

36000 = 60%

/NORTH DAKOTA

Names of examiners – in the various reports of the Bank Examiner

TITLE / Name	1917	1918	1919-1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
					Year ending June 30							
State Examiner												
J. R. Waters	✓	✓										
O. E. Lofhus			✓	✓								
*Gilbert Semingson					✓	✓	✓	✓	✓	✓	✓	✓
Chief Deputy Examiner (Title dropped after 1927)												
*F. B. McAneney								✓	✓	✓		
*Gilbert Semingson			✓	✓								
E. A. Thorberg	✓	✓										
*L. E. Wambheim					✓	✓	✓					
Office Deputy (Title created in 1919-1920 report)												
E. O. Bailey								✓	✓	✓		
F. B. McAneney											✓	
*Win S. Mitchell			✓	✓								
R. J. Murphey					✓	✓	✓					
*Jas. M. Shirek												✓
City Examiner (Title dropped after 1918)												
*Chas. Carpenter	✓	✓										
County Examiner (Title dropped after 1918)												
W. C. Edwards	✓											
*Hermann Scheffer	✓	✓										
City and County Examiner (Title used after 1918)												
T. G. Ahern								✓				
Jas. A. Brown							✓	✓	✓	✓	✓	✓
Chas. Carpenter			✓	✓	✓	✓	✓					
O. J. Eide					✓	✓						
M. J. Engeseth										✓	✓	✓
Chas. E. Fouts					✓	✓	✓					
T. J. Hagen								✓	✓	✓	✓	
Chas. J. Hemptfling									✓			
M. E. Howland			✓	✓								
C. J. Hopperstad					✓							
R. W. Kennard								✓	✓			
O. T. Nelson					✓	✓	✓					
Andrew Sathe												✓
Hermann Scheffer			✓	✓	✓	✓	✓					
J. R. Snyder								✓	✓	✓	✓	✓
J. W. Tanger			✓	✓								
Total of city + county examiners	3	2	4	4	6	5	5	5	5	4	4	4

Note. State Examiner examined not only banks but also city and county official books, and the accounts of many State offices. See State Examiner Report 1917, pp. 5-6. This was still the case in 1943 (cited [illegible] library)

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	TITLE / Name	Year ending June 30 1917	1918	1919-1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
1	Bank Examiner (After 1918 called Deputy Examiner - Banks)												
2	John Bena	✓	✓	✓	✓								
3	O. E. Bergstrom			✓	✓	✓	✓						
4	G. O. Bjore				✓								
5	L. R. Buxton	✓	✓										
6	L. E. Dickerson			✓	✓								
7	O. A. Engemoen	✓	✓	✓	✓	✓			✓	✓	✓	✓	
8	O. H. Erickson								✓	✓	✓	✓	
9	John W. Goodman												✓
10	P. E. Halldorson	✓	✓										
11	A. Johannsen	✓	✓										
12	Martin Jones					✓	✓	✓					
13	Albert Lonson				✓								
14	Ole Lovik			✓									
15	L. P. McAneney	✓	✓	✓	✓								
16	J. L. McRae						✓	✓	✓	✓	✓	✓	✓
17	Win S. Mitchell	✓	✓										
18	E. O. Nestoss						✓						
19	J. K. Nesvik								✓	✓	✓	✓	✓
20	Harald Nomland								✓	✓			
21	H. A. Norman	✓	✓										
22	L. C. Reep			✓									
23	Crosby Richards							✓					
24	F. J. Seeba					✓	✓	✓					
25	R. S. See					✓	✓	✓	✓	✓	✓	✓	✓
26	Gilbert Semingson	✓											
27	Jas. M. Shirek							✓	✓	✓	✓	✓	
28	R. M. Stangler		✓										
29	J. A. Stoen					✓							
30	L. C. Vobayda					✓							
31	L. E. Wambheim			✓	✓								
32	John Will												✓
33	Bank examiners	9	9	8	8	7	6	6	7	7	6	6	5
34	~~Total number of names~~												
35	* Name appears in list below.												

36 Inspectors of Guaranty Fund Commission (with date mentioned in minutes of Commission)
37 John C. Desmond (appointed Special Deputy Examiner) 11-20-23
38 Asst. inspector - unnamed 4-2-23
Appt. 8-15-23
39
40

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NORTH DAKOTA - Personnel of the Depositors Guaranty Fund Commission as shown in audit reports

	On Oct 31, 1924	Nov 30, 1926	Nov 30, 1928	Nov 30, 1930 →
Members of Commission				
R.A. Nestos - Governor	✓	A.G. Sorlie ✓	Walter Maddock ✓	Ben. T. Shafer ✓
C.B. McMillan	✓	A.W. Engel ✓	✓	✓
S.G. Severtson	✓	✓	✓	Arthur T. Upham ✓
C.R. Green Mgr Bkg N Dak	not qualified	✓	✓	C.F. Madgett ✓
Secretary and Treasurer		HA Fisher ✓	✓	Mgr Bkg ND ✓
Gilbert Semingson	✓	✓	✓	✓

Persons to whom salaries were paid - amounts (cents omitted)	1921	1922	1923	1924 to Oct 31	Month of Nov. 1926 (salary rate per yr & mo.)	Nov. 1928 salary rate	12-1-28 to Nov 30-30
B.J. Schroegge	750	1650	1310	2200			
H.P. Goddard		2708	300				
C.W. Conroy			247				
S.H. Kjeland			433	1333			
J.C. Desmond			2250	3425			
G. Semingson - secretary			1900	1667	$2000 per yr	no salary	no salary
V.R. Tompkins				2963			
R.J. Holmes				652			
A Reid				350			
D.J. Hearey - Auditor				400	200 per mo.	200 per mo.	2400 per yr.
~~C.B. McMillan~~ C.R. Holmes				~~50~~			first salary paid 233 days in two yrs
M.W. Arndt - ass't secretary				88	175 per mo		
Dorothy M. Schnecker				50			
Marie Delos				40			
F.W. Catlin - Inspector					4000 per yr.	4000 per year	4000 per yr.
C.J. Fisk "					4000 per yr.	4000 " "	4000 " yr.
Clyde Duffy - Legal Counsel					300 per mo.	300 " mo.	3600 " "
J.E. Sullivan - reporter					187½ " "	187½ " "	2250 " "
Gayle Hanks - stenographer					125 " "		
Bertha Severtson - stenographer					110 " "		
H.R. Woods - clerk						175 per mo. cost of living	175 per mo
Dorothy Frosch - stenographer						100 " "	125 " "
Lena Wellenberg - "						110 " "	110 " "
Mabel N. Larson "						100 " "	100 " "
Ellen ~~stenographer~~ (ended the month during part of the 2-yr period)							90 & 110 per mo

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Report of work for week ended Sept. 7

some claims subject to review), which in most cases total much less than all deposits. The reasnne for the large differences are not fully apparent.

Deposit guaranty in eight States (from Bismarck, N. Dak., Sept. 7)

Arrived in Bismarck Tuesday afternoon. Spent Wednesday, Thursday, and Friday at the Office of the Bank Examiner, with some time yesterday afternoon at the office of the Clerk of the Supreme Court.

The records of the Depositors' Guaranty Fund Commission that appear worth examining are these: (1) two large volumes of minutes of the meetings of the Commission, totalling about 1,900 pages; (2) a smaller volume with some statements and miscellaneous material; and (3) reports of four audits of the Guaranty Fund, covering, respectively, the period from the beginning of the fund to midyear 1924, midyear 1924 to midyear 1926, midyear 1926 to midyear 1928, and midyear 1928 to midyear 1930.

Duplicate copies of the audit reports are available, and I have borrowed a carbon copy of each report to take back to Washington. The last report is especially useful, as it contains a statement for each bank that closed while the guaranty fund was operative, showing total deposits at date of failure, dividends paid from the guaranty fund on guaranteed deposits, dividends on the guaranteed deposit claims paid by the receiver to the Commission and thence to the depositors. Some further dividends were paid after June 30, 1930, so the data in the audit report are not final figures for some of the banks. The audit reports also contain data on expenses of operation.

I have gone through nearly half of the minutes of the meetings of the Commission. From these minutes I am transcribing "statements of condition" or "trial balances" for midyear and yearend dates after 1922, and a few such statements shown for earlier dates, checking lists of the closed banks and transcribing some information pertaining to them, and taking notes of various actions of the Commission including dates of regular and special assessments. For some of the banks information is given on the amount of guaranteed deposits recognized by the Commission (but with some claims subject to review), which in most cases total much less than all deposits. The reasnne for the large differences are not fully apparent.

I have given the miscellaneous statements only a hasty glance, but it appears likely that they will supplement the data from the minutes and the audit reports sufficiently to provide a fairly complete picture of the fund until its final closing.

Mr. Newton, clerk of the Supreme Court, volunteered to loan me the only remaining copy of the report of Mr. Baird about which he had written. It is a carbon copy and some of the pages would not be likely to be clear in a photostatic copy, which might be made. However, since the report deals with a lot of banks that failed after repeal of the guaranty law, and only a few columns of data will be useful to us, I think I had better take off the data here, and not carry it to Washington nor bother with a photostat. I borrowed it for use over the weekend. The data that will be useful include the total liabilities of each bank at time of failure, and the amounts and percent of dividends paid by the receiver, and expected future dividends (after midyear 1937). For the banks that closed prior to repeal of the guaranty law as of midyear 1929 this will be relatively complete information. However, it will not cover receiverships of banks that closed during the early years of the guaranty system, as they were not under Mr. Baird's jurisdiction.

OVER

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I presume I will be working here most of next week, and be in Pierre to start work there xxweek from Monday, the Monday morning the 17th.

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Report of work for week ended Sept14.

Deposit guaranty in eight States (from Biskarck, N. Dak., Sept 15)

Monday and Tuesday I looked over and made notes on the second half of the minutes of the Depositors Giaranty Fund Commission, taking off semiaunual financial statements (trial balances) of he fund.

Saturday and Sunday, the 8th and 9th, I transcribed the data given in Mr. Baird's report for the percentage dividends paid depositors in the banks that closed while the guaranty fund was in operat on, and estimated future dividends (as of the end of 1936), together with the total liabilities of the banks at date of failure. This report was returned to Mr. Newton during the week.

Wednesday Mr. Rhud took me down into the vault in the capitol basement in which records of the State Examiner's office are kept. We found various volumes of detailed material, such as journals of receipts and expenses, and files of warrants, which are not ina form usable for our purposes, but oly a little additinnal material in summary form. Took off the usable data. Then in the afternoon Mr. Russ mentioned the files regarding closed banks in one of the rooms of his office. These were the original receivership files of Mr. Baird, together with later correspondance. In the file for each bank was a summary card giving both the percentage and amount of each dividend to depositors, including not only those shown in his summary report to the Supreme Court but also later dividends until the final closing of the various receiverships, which in many cases was not until the middle 1940's. These data I transcribed that afternoon and Thursday.

Thursday I mentioned againto Mr. Rhud the final 1 percent dividend that had been paid in pursuance of a law of 1931 to the depositors of the banks that had not been given a 10 percent dividend from the guaranty fund before the Commission expired on December 1, 1930. This 1 percent dividend had been paid by the State Examiner, and I thought the record should be available. After some further searching in a vault in the Examiner's office, he found a book, with no title on the outside, which gave not only the 1 percent dividend, but also the earlier 10 percent dividend, paid out to depositors in each of the failed banks. Further, it gave the amount of reserve for the 10 perent dividend representing claims that had not been presented for payment, and which under the law of 1931 reverted to the fund for use in distributing a dividend (the 1 percent) to depositors of banks that had received nothing. All these data were as of the last transactions, in some cases with payments in the late 1930's. These data I transcribed Thursday afternoon and Friday.

I also examined the first volume of a record of the Commission's review of decisions on that had been appealed of depositors' claims that had been rejected by the examiners of the Commission and appealed to the Commission. There were several thousand of such cases. It did not appear profitable to attempt any general reading of these records, for after the first few it was apparent that almost of them fell into a few general classes. This gives sufficient information to indicate the reasons for the difference between total and guaranteed deposits.

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We are staying inBismark today, and expect to go to Pierre tomorrow. With the approval of the Division Chief, I may take a day xxxxxxxxxx at next week-end (or later) ~~/~~ as xxxx compensatory leave for the time spent last weekend. Thisx

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NOTES ON SUMMARY REPORT BY L. R. BAIRD, RECEIVER , dated January 8, 1937 borrowed from Clerk of the North Dakota Supreme Court and examined on Sept. 9, 1956, by Clark Warburton

This typed report consists of 2 pages of introduction and 8 pages of tabulations (1 line per bank) - pages 16" by 17". It is addressed:

TO THE HONORABLE MEMBERS OF THE SUPREME COURT
OF NORTH DAKOTA, THROUGH THE HONORABLE JNO. C.
LOWE, JUDGE OF THE FIFTH JUDICIAL DISTRICT
DESIGNATED AS PRESIDING JUDGE IN THE FOURTH
JUDICIAL DISTRICT IN MATTERS INVOLVING THE
LIQUIDATION OF INSOLVENT STATE BANKS OF NORTH
DAKOTA UNDER SECTION 51, CHAPTER 96 SESSION
LAWS OF 1931 (ADMINISTRATION OF INSOLVENT BANKS)

Pertinent parts of the introduction are quoted below, with notes on the remainder.

"There is submitted herewith a compilation and report covering certain features of the liquidation of insolvent state banks. Annual reports on the condition of each individual trust including collections, expenses, dividends paid and other matters, which have been submitted to the District Court are all on file. This compilaion is an effort to give in short form, the status of the trusts administered under one general head. It is in no way concerned with an attempt to furnish information relative to some thirty or forty other banks in process of liquidation. Each trust is actually administered separately, being charged for its expense only and credited with its own collections. The trusts are in no way confused or mixed one with another.

The so-called general receivership was inaugurated on October 6, 1923, and pursuant to Chapter 137 of the Session Laws of 1923. This law expired on July 1, 1926, by virtue of a provision incorporated in the original law. The law was virtually reenacted with some additional provisions as Chapter 99 of the session laws of 1927. When the so-called Banking Code (Chapter 96 of the Session Laws of 1931) was enacted this law became Section 51, Chapter 96 of the Session Laws of 1931. The additional provisions above referred to are now subdivision 'U' Section 51, Chapter 96 of the Session Laws of 1931. By these provisions depositors have the power of selecting three individuals (no qualifications being required) who are appointed as receivers by the Court. These three receivers then liquidate the bank in the usual manner under supervision of the Court. This procedure may be invoked by the depositors at any time during the ordinary receivership proceedings or may be used immediately upon the closing of the bank and while it is still in the hands of the State Examiner. The following is a list of banks which have been withdrawn from the so-called general receivership and committed to the charge of three individual receivers commonly termed joint receivers. Records relative to other individual receiverships can be obtained from the State Examiner."

Then follows a list of twenty banks, of which the following six closed during the period of operation of the guaranty fund. Data given for these banks pertinent to the FDIC study are shown on the worksheet with other data from Mr. Baird's report.

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Flora: Flora State Bank	closed	Dec. 12, 1928
Minto: First State Bank	"	Oct. 13, 1927
Mylo: First State Bank	"	Feb. 6, 1928
Rock Lake: Rock Lake State Bank	closed	Feb. 9, 1927
Rolla: Farmers & Merchants Bank	"	Mar. 29, 1929
Walhalla: Citizens State Bank	"	Dec. 21, 1927

"Certain other banks closed and committed to the receivership have been closed out by special proceedings: Such banks are: "

Then follows a list of 11 banks, with notes, of which seven closed during the period of operation of the guaranty fund. The names and notes regarding these are given below, with date of closing inserted for identification on the worksheets:

Farmers State Bank of Alamo (June 28, 1924). The assets of this bank were sold to the First State Bank of Alamo for an amount sufficient to pay the depositors their accounts in full by acceptance of deposits in the First State Bank of Alamo. This was done under a depositors' agreement.

Scandinavian American Bank of Grafton (June 1, 1929). Upon petition of the depositors the Receiver made a Receivership Termination Loan under the provisions of the Reconstrucion Finance Corporation Act, paid the final dividend, making total dividends of forty percent. Approximately thirty percent was collected by the Receiver before the Receivership Termination Loan was completed. It is believed that this type of liquidation is unsatisfactory unless more liberal appraisals are made. Despite representations made, the requirements are too severe, too umbersome and too voluminous. It is estimated that the loan resulted in a net loss to the depositors of approximately fiteen or twenty per cent.

Peoples State Bank of Hatton (Oct. 22, 1921). Upon petition of all the creditors, the assets were turned over to three individuals as trustees for the benefit of the creditors.

Farmers and Merchants Bank of McHenry (Dec. 24, 1928). Upon petition of creditors the assets of this bank were turned over to the McHenry Holding Company.

Springbrook State Bank, and Trenton State Bank (both Nov. 26, 1923). The assets of these two banks were sold to the Commercial State Bank of Williston for enough to pay the depositors in full.

Farmers State Bank of Verendyre (Oct. 20, 1926). Upon petition of the creditors of this bank the assets were turned over to the Verendyre Holding Company.

"There have been approximately five hundred banks involved in proceedings under the special law passed for the liquidation of closed state banks. Some fifteen of these were only technically involved and hence are not included in the detail of this report. The report covers 486 banks. 148 of these were under individual receivers of various characters, prior to the time of being taken over by the preseb receiver. The deplorable and hopeless situation in which most of them were is fully set out in a report printed in the Senate Journal of 1923 (page 110). The compilation attached hereto shows that the total amount of assets involved in the 486 banks amounted to $73,231,970.51; the liabilities amounted to $64,879,382.25; these amounts have been reduced by orderly liquidation in a substantial amount, the present face value of the remaining assets being $14,065,946.85 while the face value of the remaining liabilities amounts to $25,420,695.61. The actual value of the remaining assets determined by recent appraisals, reports and investigations estimates the remaining assets having a face value of $14,065,946.85 to be actually

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WORTH the SUM of $2,376,790.52. If there is a return of better times and normal prices for real estate within the next two or three years a greater sum should be realized. This estimate of value is made upon a continuance of careful, efficient handling and vigorous attention. If the assets are sacrificed by being put up at auction or other forms of forced liquidation the net recovery would not much more than pay expenses." This parggraph goes on to note that most of the remaining assets consists of real estate which is slow to move, and continues. "The fact must not be overlooked that the banks involved herein were closed only after their reserve was exhausted and every liquid asset had been used. In addition to that, in most cases, the stockholders and officers had been called upon and did contribute large sums, in some cases as much as 400% of their capital investment. The result was that when the banks finally closed nothing readily convertible into money remained and the only way in which it was possible to realize a part of the losses incurred was to start in and rebuild the questionable assets remaining. If ruthless tactics, sometimes used, had been followed, none of the collateral would have been recovered and the resulting liquidation would hardly have paid expenses. On the other hand the results would have been even more disasterous had the old methods continued. Most of such cases taken over the records were in hopeless confusion and large amounts of unpaid liquidation expenses had to be assumed and paid. Liquidation of assets of this character requires constant and vigorous attention by men skilled as collectors. Merely balancing accounts and renewing paper does not liquidate.

These banks had Bills Payable of between twelve and fifteen million dollars for which in most cases ample collateral was pledged, often to the extent of ten to one. This item has been eliminated. In some cases the holder took a small loss but in most cases they were paid in full. However, in order to be conservative it is estimated that bills payable in the sum of $10,000,000.00 have been paid. Dividends to general creditors in the sum of $5,767,209.97 have been paid and preferred claims amounting to $797,259.00 have been paid, making a total net recovery to creditors of $16,564,468.97 to date. This does not take into consideration special cases where creditors have been paid by accepting deposits in going banks or other settlements have been made."

One additional paragraph relates to the number of employees of the Receiver and to the costs of liquidation.

NOTE. A count of the banks that failed during the period of operation of deposit guaranty for which Mr. Baird's report showed some data (as counted from worksheets on which pertinent data were transcribed) shows 359. His report includes five banks failed prior to 1920 that were not guaranteed, leaving 122 as failures subsequent to the repeal of the guaranty law as of midyear 1929. (This last number has not been verified by counting those listed in Mr. Baird's report).

Two notes at the end of the tabulation are also important. The first refers to the banks for which estimates of no future dividends are given and states: "These banks in process of closing. Values estimated under present conditions. With good conditions a dividend probable." The other is as follows:

"Note: In cases where banks had closed long prior to this receivership assets and liabilities given are those from former receiver's books, original bank records not being available."

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Notes on minutes of meetings of the Depositors' Guaranty Fund Commission of North Dakota, 1917-1938

Bound in two large volumes totalling about 1800 pages

Examined by Clark Warburton in the office of the State Examiner, Sept. 5 1956

Initial meeting July 13, 1917. { Members - Governor Lynn J. Frazier / B. J. Schoregge (for 2 yrs)
State Examiner J. R. Waters / O. E. Hanson (for 3 yrs)
O. S. Hanson (for 1 yr)

Resolution setting maximum interest banks allowed to pay at 6% until admission under the Guaranty Deposit law. Also resolution noting that banks were not under supervision of Commission until examined and admitted and banks prohibited to advertise until admitted.

Oct 10, 1917

Resolution that State Examiner's office make list of weak banks and have them examined at once, with meeting of Commission to go over the reports and instruct the banks of requirements for admission under the Guaranty Act

Dec. 27, 1917

Examiners' reports showed some banks could not be admitted. Resolution to give all banks an additional 90 days to clear up irregularities

June 28, 1918

Motion carried that following list of 90 banks be notified that they were disapproved by the Commission. Also motion that all state banks be permitted to pay interest up to 6% on time certificates to Oct 10, 1918

[Note. Apparently all other operating banks were admitted by that date as minutes for later dates refer to general admissions of banks on the list of 90, and to instructions for special examinations of various banks.]

Sept 28, 1918

Permission to pay up to 6% interest on time certificates extended until further notice.

Jan. 14, 1919

Re new banks - certificates of admittance not to be delivered until examined.

July 16, 1919. - O. E. Hafto's name appears as State Examiner)

Oct 7, 1919. Members of Commission (other than State Examiner and Governor Frazier appear as B. J. Schoregge, O. S. Hanson and H. J. Hagen).

[Note, Business done at meetings in 1919 relates to refunds and adjustments of assessments for new banks after operating a year, refunds to banks liquidating or reinsuring, examinations of banks needing special attention. Also refers to Scandinavia-American Bank, Fargo, which was in bad condition and in charge of and examined on Oct 7 and 14, 1919

Dec. 17, 1919

Commission requested opinion of attorney General re (1) difference between certificates of deposit and bills payable in form of certificates of deposit, (2) validity of certificates of deposit issued outside the bank and (3) liability of former stockholders of First State Bank of Jud which was closed less than a year after date of sale.

Dec. 18, 1919

Payment of demand deposits of closed First State Bank of Jud authorized

Jan 13, 1920

Payment of time certificates of deposit of " " " " " " " "
on basis of opinion received, proceedings authorized against former stockholders of the bank

July 13, 1920

Payment of bona fide deposits in Farmers State Bank of Marmarth authorized

[Note. The Jud and Marmarth banks were the only failed banks in which the fund paid off all depositors]

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Minutes of North Dakota Depositors' Guaranty Fund Commission

Jan 11, 1921
Members (after charges) B. J. Schoregge, S. G. Sorenson, Samuel Torgerson, and State Examiner O. E. Lofthus
Resolution, fund being inadequate to meet demands, to levy four assessments for four consecutive months, on Feb. 15, Mar. 15, Apr 15, and May 15. under sections 7 and 12 7 the guaranty deposit law.

Apr 12, 1921
Resolution that assessment for fiscal year beginning July 1 be levied on Aug 1, 1921, and special assessments on Feb 15, Mar 15, Apr 15, ad May 15 1922.
Motion that Secretary be instructed to pay depositors of the closed banks, out of funds collected from assessments, in the order of their failure.

July 12, 1921
Authorized a Committee of the State Bankers Assn. to have access to the records of closed banks.
Appointed B. J. Schoregge as Supervisor over Receivers of closed banks at $4500 salary, with $2200 from budget and $1800 from the fund.
Authorized payment of depositors of Tolley State Bank in full upon completion of audit of claims. [NOTE. This bank closed Nov. 15, 1920. Only 10% dividend was paid from fund] [See immediately below]

Aug 23, 1921
Authorized payment from fund of expenses of an auditor of closed banks to be selected by the State bankers.
Nov. 16, 1921 Rescinded action of Apr. 12 1921, re order of payment of depositors of closed banks, and in view of this, ordered funds assembled for payments of depositors in Tolley State Bank to be re-distributed among the State banks.
Requested State Banking Board to defer appointing receivers of closed banks until requested to do so by Depositors Guaranty Fund Commission, leaving the closed banks in charge of special deputy examiners.
Statement of fund as of this date, Nov. 16, 1921 [NOTE. Earliest statement prior to audit report of 1924 found]

ASSETS	
Adjustment account, Par 11, Guaranty of Deposits Act	$10,825.22
Bills receivable	1,142.50
Expense	450.00
Refund to banks nationalizing and other reasons	3,781.71
First State Bank of Ford, paying its depositors	86,561.43
Farmers State Bank, Marmarth, " "	83,191.92
Tar. & Mer. State Bank, Sherwood, money advanced [Note 1]	10,000.00
Northern Trust Company, Fargo [Note 2]	13,347.52
Due from banks and trust companies over the state	333,851.47
Total	$543,155.27
LIABILITIES	
Assessments, annual and additional	$501,644.39
Two per cent assessment from new banks	36,660.00
Interest	4,850.88
Total	$548,155.27

[Note 2. Deposit of $14,000 in this bank authorized Nov. 16, 1921 – no reason given.
Note 1 " " of 10,000 " " " approved " " – " " "

[NOTE. Minutes contain many items pertaining to liquidation of failed banks such as offers for assets of such banks and recommendations for acceptance etc. which are not referred to in these notes. end

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Notes on Minutes of North Dakota Depositors Guaranty Fund Commission - page 3

Dec 2, 1921 ~~Nov. 29, 1921~~ M. F. A. Young hired as attorney for Commission - on a per diem basis
Plans for handling closed banks discussed, and Secretary instructed to ask for resignations of sellers to take effect at once or as soon as they could be checked out
Dec 21, 1921
Resolution requesting State Banking Board to appoint receivers for each freight district (with 5 to 9 closed banks in each), which was estimated to save 80 percent of receivership costs. - as follows.
Grand Forks District: Grand Forks, Hilton, Ballgate, Mowbray, Ciceva
Fargo District: Fargo, Berger, Hatton, Edgeley, Jud, Cogswell, Cleta
New Rockford District: New Rockford, Brantford, Walum, Courtenay, Pingree
Bismarck District: Apple Springs, Braddock, Robinson, Leith, Temvik, Hazen
Browman District: Browman, Haynes, Rhame, Marmath, Amidon 2.
New England District: Kelliher, New England 2, Havelock, Regent, Belfield, Beach
West Minot District: Minot, Sawyer 2, Garrison, Omnybank, Alamo, Fortuna, Williston, Walpet
East Minot District: Mohall 2, Lorraine, Glenburn, Greene, Tolley, Bantry, Dunseith, Benedict

Jan. 11, 1922
Resolution that Commission accept audits made by M. H. F. Goddard, Auditor of the State Bank Committee ~~of~~ re certain closed banks and that the Secretary issue certificates of indebtedness for amounts coming under Guaranty Deposit Law.
[NOTE. For amounts shown in minutes for this date, and similar amounts in minutes for later dates - not mentioned in these notes - see worksheet]
Resolved that deposits of the Bank of North Dakota in the closed banks "be not included under the Guaranty Deposit Law"

Apr. 14, 1922
Resolved that "interim certificates" be issued to the several receivers for amounts due by the Guaranty Fund Commission according to M. Goddard's reports.
Approved deposits by the Commission in several banks in conjunction with loans from other banks or the War Finance Corporation ($20,000 in one bank, and 5000 in each of five banks)

Aug. 2, 1922 - joint meeting with State Banking Board, with Brown, Secy of State, and attorney General
Resolution that it be the policy of the State Banking Board to ask for bids and sell all papers of closed banks outright - rather than to use receivership proceedings, on ground that this would be more advantageous to creditors in many and possibly a majority of cases.
[NOTE. One case approved at same meeting was diverted to a newly organized bank in same place]

Sept 29, 1927
Resolution asserting Commission's right according to opinion of attorney (bottom not expressed) ~~to make~~ to investigate standing of incorporators and need for a new bank, and stating that Commission will act upon applications for admission to Guaranty Fund.

[NOTE. At various meetings the Commission recommended to the State Banking Board that certain banks be closed and that certain others be not closed but be forbidden to receive additional deposits. Comments in subsequent meetings indicate that the State Banking Board did not always follow these recommendations.]

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Notes on minutes of North Dakota Depositors Guaranty Fund Commission pg 4

Jan 18, 1923

Reports joint resolution of legislature asking for report of Guaranty Fund Commission & its report - and completion of report. INOTE. Should this be looked for in legislative documents? Later note. Not in public documents of N Dak in Library of Congress.

Jan. 20, 1923

Approved additional salary for John C. Desmond, appointed by State Banking Board on recommendation of Guaranty Fund Commission as Special Deputy Examiner to work under direction of the Commission - salary of $166.67 a month from Examiner's Office - the maximum allowed by law - and $166.66 additional by the Commission for the Guaranty Fund. Salary of B. J. Schregge as Supervisor of Receivers reduced to $225 per year - with express provision that Examiner's office to be paid by the Guaranty Fund.

Jan 1923 - several meetings

Feb " Concerned with amendments to law, and hearings before Senate Committee on Banking

June 13, 1923

Resolution referring to various suits re priority of payment of depositors from fund and ordering guaranty on deposits with higher penalties than permitted by law and stating that such suits would go to State Supreme Court and would take one or two years, and therefore authorizing employment of A. G. Dieot as attorney to represent the Commission.

July 2, 1923

Maximum rate of interest on deposits placed at 6 percent

Approving appointment of John C. Desmond as inspector for the Commission to examine new banks before approval for guaranty by the Commission.

July 3, 1923

Resolution that banks in which Commission's funds in excess of accumulated assessments - i.e. drawing a working balance accounts - pay interest at the rate of 2% per year on average daily balances; and that banks in which special deposits had been made "for the purpose of aiding such banks" pay interest at the rate of 4% per year.

Also adopted form for annual statement of fund at end of each year.

Levied assessments as follows; as of June 30, 1923:

1/20 of 1%	- regular	assessment	payable	immediately	designated # 7.
"	additional	"	"	Aug 1, 1923	" # 8
"	"	"	"	Sept 1, 1923	" # 9.
"	"	"	"	Oct 1, 1923	" # 10
"	"	"	"	Nov. 1, 1923	" # 11

Aug 7, 1923

Ordered Clyde State Bank, Clyde, to receive no more general deposits, and to treat all deposits subsequently received as special deposits to be redeposited with Northern State Bank of Grand Forks as a special trust fund.

Authorizes payment of $392.75 to a depositor in the Marmath bank - not hitherto paid

Aug 8, 1923

Appointed an assistant inspector to examine all banks organized since Jan 1, 1920.

Aug 17, 1923

Resolution approving certificate of admission under Depositors' Guaranty Fund law of a new bank, Western State Bank of Sanish. INOTE. This is first case of this kind of resolution - reflecting more specific powers given Commission under revised law of Mar 6, 1923. Later cases not mentioned in these notes. cw.

Oct 12, 1923

Another case of bank ordered to place all further receipts of deposits in the Northern State Bank of Fargo as a special trust fund. INOTE. Later cases of this kind not mentioned in these notes. cw.

Nov. 20, 1923

Discussed at length and adopted set of rules for operation of banks "which had been placed under the Special Deposit Order, or so-called 'Suspended' banks." Also discussed problem of securing agreement of depositors in suspended banks extending time of payment of such deposits in event of reopening to accept general deposits - urging such banks to obtain agreements with depositors and suggesting a scale of 10% at end of second year, 20% at end of third year, 30% at end of fourth year, and 40% at end of fifth year, with prorata payment when bank is unable to meet this scale. Also recommended that rate of interest of 4% desirable on such deposits with 4½% a maximum.

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Notes on minutes of North Dakota Depositors Guaranty Fund Commission - pages

Dec. 17, 1923
Resolution to place "working fund balance" of Commission — to pay salaries & expenses — with four banks at limit of $12,000 each — Northern Trust, Fargo; Capitol Security, Bismarck; Scandinavian American, Minot; Northern State, Grand Forks

Jan 15, 1924
Adopted a standard form for agreements of depositors and creditors to defer time of payment of their deposits and claims. Also banks placed under Special Deposit Orders required to make weekly reports to the Commissioner, Inspector, & Secretary of Commission.

Jan. 18, 1924
Adopted a skeleton form of report to be incorporated in minutes of Commission — to be used for each ~~bank~~ closed or suspended bank examined by the Commission. Form includes condensed statement of assets and liabilities. [NOTE. Minutes of this and subsequent meetings contain many such reports. Data not taken off inasmuch as auditors' report of fund for 1928-1930 contains full list of closed banks during period of operation of guaranty fund with amount of deposits at time of closing and payments by receivers and by Commission on guaranteed deposits.]

Apr 30, 1924
Adopted standard form of assignment of claims against the fund

Aug 5, 1924
Resolution ordering delivery of securities, notes, &c pertaining to closed banks to L. R. Baird Receiver, and levied assessments as follows, as of June 30, 1924

1924 1/20 of 1 percent, payable immediately as regular assessment designated #12
" " Aug 15, 1924 as additional " " #13
" " Sept 15, 1924 " " " " #14
" " Oct 15, 1924 " " " " #15
" " Nov. 15, 1924 " " " " #16

Aug 13, 1924
Resolution that no examination of a closed bank in hands of receiver Baird be made except at his request.

Aug 16, 1924
Report of special investigator of Northern Trust Company, Fargo, which had submitted a statement showing no deposits subject to assessment for guaranty fund showing $605,924 such deposits.

Sept 12, 1924
Adopted a standard form to be used by an open and going state bank to the receiver of a closed bank for assets of such bank

Jan 24, 1925
Adopted ~~of~~ guaranty fund ~~report~~ completed to be submitted to Legislature [NOTE. Carbon copy borrowed. CWJ]

Feb 28, 1925
Resolution noting that no adjustments had been made since 1919 for refunds of assessments paid by new banks or reorganized National banks, except since made as of Dec 16, 1924, and that an investigation had been made of the amounts due in all such cases (to the bank & the Fund), and instructing the Secretary to make the refunds & collections.

Oct 9, 1924
Refers to pending work of "the undertaking of paying depositors subject to guaranty" filing and making claims, &c. [NOTE. Presumably referring to payment of 10% of guaranteed deposits]

Oct 10, 1924
Various resolutions re proof of claims and payment of guaranteed deposits — must first be claim allowed by receiver or competent court, to be in prescribed form.
Resolution re closed banks — noting 58 closings prior to July 1, 1923, of which 52 in 1920-1922
noting also that Commission has completed its audit of 133 " " " all banks closed prior to July 1, 1923
but not those closed later
therefore practicable to begin paying off depositors in banks closed prior to July 1, 1923
But not those closed later
Resolution that certificates of indebtedness be issued as promptly as possible to all depositors in banks closed prior to July 1, 1923; and that dividend of 10 percent be paid on the admitted guaranteed claims; but that no dividend check be drawn for less than $10, except that admitted claims of less than $10 be paid in full, and that no certificate of indebtedness be issued for less than $2, and that claims of between $10 and $12 be paid in full.
Resolution authorizing Gilbert Semingson, Secy & Treas to withdraw from each bank 20% of the deposit in it within ten days, and 40% after another twenty days, and thereafter as necessary to pay depositors — all to be deposited in Bank of North Dakota for use in paying depositors

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Act 10, 1924 - continued

Resolution that no pretext, attorney fees or court costs or other extraneous charges be included in depositors' claims; and that interest shall be computed strictly according to the contract, with no interest after maturity of certificates unless specifically provided for, and that interest be computed to date of closing of the bank.

Dec 16, 1924

Lists of banks owing additional assessments, approved refunds, and resolution to collect or pay.

Jan 19, 1925

Maximum interest payable by banks in three counties reduced to 5%, effective Feb 1, 1925.

Feb 4, 1925

Maximum " " " " in 23 counties reduced to 5% " Feb 15, 1925.

Mar 13, 1925

Resolution noting that about a thousand rejected claims would be subject to hearings by the Commission and appointing a referee to hear these claims at salary of $4 per.

Apr 16, 1925 - Apr 17, 1925

Adopted set of rules for hearings and rehearings on rejected claims.

Apr 21, 1925

Appointed counsel to represent Guaranty Fund at hearings on rejected claims

Apr 22, 1925

Authorized finding of certificates of indebtedness and re-issue where necessary because of administration of estates, partnerships, etc

Apr 23, 1925

Lists of banks - with amounts due to or from - because of assessment errors

Apr 27, 1925

List of amounts due Guaranty Fund for assessments by closed banks, with those paid by receiver - list occupies over two large pages - amounts ranging from up to $2,203.40 for the Scandinavian American Bank, Fargo - with large majority credited as paid by receiver.

June 16, 1925

Maximum interest payable in another county reduced to 5%.

July 14 [illegible] 1925

Assessment levied in accordance with statements as of June 30, 1925

1/20 of 1%	- regular	payable	Oct 15, 1925	(#9 regular assessment)
"	- additional	"	Nov. 15	"
"	"	"	Dec. 15	"
"	"	"	Jan 15, 1926	
"	"	"	Feb 15, 1926	

July 15, 1925

Secretary reported certain adjustments had been made in the Commissioner's account. See statement worksheet.

Oct 14, 1925

Rate of 5% payable on deposits extended to the entire state.

General note on minutes of meetings in 1925 and 1926, and subsequent years.

Much space is devoted to rulings on particular claims that have been appealed and on which the referee has reported. Also regarding liquidation items pertaining to closed banks, first set for payment. Also some cases of proceedings for reopenings, and of appeal or disapproval of applications of proposed new banks for admission to guaranty.

July 8, 1926

Assessments levied as follows on basis of statements for June 30, 1926

1/20 of 1%	regular	payable	Oct 15, 1926	(#10 regular assessment)
"	additional	"	Nov 15, 1926	
"	"	"	Dec 15, 1926	
"	"	"	Jan 15, 1927	
"	"	"	Feb 15, 1927	

July 12, 1927

Assessments levied on basis of statements made or to be made as of June 30, 1927

1/20 of 1%	regular	payable	Oct 15, 1927
"	additional	"	Nov. 15, 1927
"	"	"	Dec. 15, 1927
"	"	"	Jan 15, 1928
"	"	"	Feb 15, 1928

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Notes on minutes of North Dakota Depositors Guaranty Fund Commission — page 7

Jan 18, 1927

Has a summary of the dispositions of claims in Classes A, B, C & D banks, and then summary for those four classes (i.e. banks closed from 11-15-20 to 12-31-23) as follows:

"In the 127 banks in classes "A", "B", "C", and "D", being all of the banks that closed prior to the end of 1923 there were 31,420 claims filed with the Commission of which 80% were admitted to guaranty, 20% were rejected as ineligible to guaranty pending further proof: 13.5% were abandoned by claimants and 6.5% were rejected or are now being held to be hereafter referred to the Referee for further proof."

Nov. 21, 1927

Discussion and decision re claims of Bank of North Dakota against the Guaranty Fund growing out of claims on (i.e. deposits in or advances to) claims closed banks. The claims were against about 75 closed banks, ranging in amounts up to $231,379. and totalling $1,476,5[illegible].84 Of this $811,131.09 was assumed to have represented genuine deposits and $665,388.75 to be guaranteed, and $665,388.75 to represent advances (except for $39,355.76 collateralled in four banks) and therefore not guaranteed. The reason for the confusion and the bases of the decision are described as follows:

"IT IS ORDERED AND DETERMINED That the money on deposit in the several banks standing to the credit of the State of North Dakota and its various political subdivisions at the time of the organization of the Bank of North Dakota and subsequently transferred upon the books of such banks to the credit of the Bank of North Dakota are deemed to be bona fide deposits except where such deposits have been converted into loans by taking of direct collateral security therefor. That moneys of the moneys otherwise placed in the several banks by the Bank of North Dakota appear to have been so placed at the solicitation of the several banks and are deemed to be loans and not deposits. ...

The moneys representing deposits and those representing loans having been carried in one account, the withdrawals made by the Bank of North Dakota from such account have been pro-rated in accordance with the ratio existing between the amounts of such deposits and loans at the time of such withdrawals and the amounts set forth in the attached schedule represent the balances remaining in the several banks" ...

The amounts of the several deposits specified in the second columns of the attached schedule ... are therefore allowed as 'guaranteed' claims, subject to a re-check of interest and the application by the Receiver of proper offsets. The remainder of the claims of the Bank of North Dakota against the several banks including the total claims against the four banks above mentioned are rejected". NOTE. The taking of collateral was held to change the amounts in the four banks from deposits to the status of loans.]

This decision also ordered no payments of dividends on the guaranteed deposit claims, nor issuance of certificates of indebtedness, to the Bank of North Dakota until that bank filed an agreement that it held no collateral against the deposits and that any collateral held against loans in excess of the amount of the loans would be returned to the Receiver of the closed banks.

Aug 9, 1927

To make maximum interest payable uniform at 4 percent, permission for banks in some counties to pay over 4% withdrawn.

Oct 16, 1927

Above modified to permit 5% in three counties with bail damage to crops.

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Notes on minutes of North Dakota Depositors Guaranty Fund Commission — page 8

July 10, 1929

Assessments levied on basis of statements for 12 months ending June 30, 1929

Regular assessment	No. 13	payable on	Oct 15, 1929
First additional	"	to	"	" Nov. 15, 1929
Second	"	"	"	" Dec 16, 1929
Third	"	"	"	" Jan 15, 1930
Fourth	"	"	"	" Feb. 15, 1930

QUERY. Were these refunded later? See Oct 7, below.

May 20, 1930

Accepted a compromise offer of J.R. Baird of $40,005.94 for all claims of the Depositors Guaranty Fund Commission against closed State banks — including general assessment accounts, assessment accounts since July 1, 1929, special deposits, special expenses and examination fees (except that if Legislature grants law is not sustained the claim for assessment accounts since July 1, 1929 to remain valid).

July 8, 1930

Accepted for 12 failed banks a bid by the receiver for claims paid in full by the Guaranty Fund — based on estimated probable dividends to be paid by the receiver on such claims, discounted at 6% to the estimated time of said dividends [Amount are similar to last column in table in 1930 audit report, which shows such claims paid by receiver to 11-30-30].

Aug 12, 1930

Resolution "that no further dividends be declared and that the funds available for the payment of such dividends be held intact to await the further action of the legislature". Reasons given: (1) only $30,000 available for dividends compared with $1,000,000 claims in banks in which no dividend had been declared, so only an .003 percent dividend could be paid; (2) cost of paying such a dividend would be wholly out of proportion to the dividend; (3) many holders have not perfected their claims and there is no limitation on time for presentation, it would be impossible for the Commission to complete payment of such dividends before Dec. 1, 1930.

Oct 7, 1930

Resolution relating to assessments levied on banks prior to reinvestigation, but not payable until subsequent dates — approving agreement that payment be accepted to parties in charge as state banks.

Another resolution also refers to the repeal of the Depositors Guaranty Fund law, and that this releases banks of assessment after June 30, 1929

Oct 8, 1930

Authorized hiring of C.B. Lund to make audit of the accounts of the Guaranty Fund Commission for the period 12-1-28 to 11-30-30. [NOTE. See borrowed copy of this audit, from which some data have been taken off on worksheets, but other data are to be taken off after returning to Washington, DC. CW. 9/11/56].

NOTE. This is the last meeting of the Commission for which minutes are available in the binders found in the vaults of the Office of the State Examiner. CW 9/11/56.

ADDED NOTE. Under the act of Mar 6, 1929, approved in a referendum June 25, 1930 the Depositors' Guaranty Fund Commission was dissolved as of Dec. 31, 1930, and ordered to make final report to the Governor as of that date. Later note. This report is not in N Dak. documents in the Library of Congress.

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NOTES ON REGULATIONS OF THE NORTH DAKOTA DEPOSITORS GUARANTY FUND COMMISSION. (typed and bound with minutes of the Commission, at end of the second volume)

Regulation No 1, July 2, 1923
Relates to deposit of all receipts of the Fund in banks contributing to the system.

Regulation No. 2 July 2, 1923
Relates to bonding of Treasurer of the Depositors Guaranty Fund Commission

Regulation No. 3 July 2, 1923
Relates to applications for opening of new banks and admittance under Guaranty Fund Act. Organizers to file statements and to be notified that they cannot accept deposits until approved by Commission.

Regulation No 4. July 3, 1923
Gives form for annual statement of the depositors guaranty fund.

Regulation No 5 Aug 8, 1923
Levies charge of $10 per day, plus actual traveling and hotel expenses, of Inspectors or Commissioners making an examination of a bank.

Regulation No 6, Apr 30, 1924
Adopts a standard form of assignment of claims against the Guaranty Fund

Regulation No 7, Apr 30, 1924
Relates to filing of assignment of claims - with charge of $1 for each claim filed.

Regulation No. 8 Oct 10, 1924
That Commission will refuse to allow or consider any claim until allowed by the Receiver of the bank or established by final judgment of competent court.

Regulation No. 9, Oct 10, 1924
Prescribes required form for proof of claim for deposits guaranteed - among other things required affidavit a) that no offset or counter claim exists
(b) that there was no agreement of any kind for interest in excess of that fixed by Commission
(c) that depositor had received no bond, collateral or other security in any manner
(d) that no part of the claim was for obligation of the bank as endorser on bills payable or bills rediscounted, or incurred by the bank for notes or evidence of debt
~~(e) that the claim was for~~

Regulation No. 10, Oct 6, 1924
Class A banks to include those closed on or prior to June 30, 1923
" B " " " subsequent to 6/30/23, and to be subject to redesignation

Regulation No. 11. Oct. 10, 1924
That Commission act to allow or reject all rejected claims of depositors in Class A banks as promptly as possible and to pay a dividend of 10 percent, with exception. a) No certificate to be issued for less than $2 and to issue certificates of indebtedness
(b) No dividend check for less than $10, except when claim is less than that amount, when to be paid in full.
c) On claims between $10 and $12, difference to be added to first dividend check.
Regulation also contains various rules - specifying types of claims eligible (as in No. 9) and procedure for examination of claims and for reviews.

Regulation No 12. Oct 10, 1924
That no allowance be included in depositors claims for protest fees, attorneys fees, court costs or other extraneous charges
That interest be computed strictly in accord with contract, and none beyond time specified in contract, and only to date of closing of the bank.

Regulation No. 13, Dec. 11, 1924
Dividend checks to be drawn for even dollars, omitting cents, except when dividend is for full amount of the claims.

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Regulation No. 14 Feb. 25, 1925

Authorized Secretary to accept assignment of claims when made, filed & proved and not in Commission's favor, with certificate thereof to be according to Commission rules. Includes also rules of procedure for review of rejected claims.

Regulation No. 15 Apr 28, 1925

Authorized division and re-issuance of certificates of indebtedness when necessary with fee of $1 to be charged.

Regulation No. 16. June 15, 1925

Amends No. 12 to permit computation of interest after maturity on certificates of indebtedness issued by banks operating under "Special Deposit Order of the Guaranty Fund Commission" - upto date of official closing of the bank.

Regulation No. 17 July 15, 1925

Amends No 10 to re-classify banks as follows:

Class A - closed on or prior to June 30, 1923

" B - " between July 1 and Sept 30, 1923, inclusive

Regulation No. 18 July 15, 1925 " on or subsequent to Oct 1, 1923 (subject to reclassification)

Provisions of Regulation 11 relating to class A banks extended to class B banks.

Regulation No. 19 Oct 14, 1925

Class C banks to include those closed between Oct 1 and Nov. 15, 1923, inclusive

Unclassified - those closed on & subsequent to Nov. 16, 1923

Regulation No. 20 Oct 14, 1925

That provision of Regulation 18 re classes A & B be applicable to class C.

Regulation No 21. July 8, 1926

class D to include banks closed between Nov. 16, 1923 & Dec 31, 1923 inclusive

Regulation No. 22, July 8, 1926

That provisions relating to classes A B C, to be applicable to class D.

Regulation No. 23. Apr 12, 1927

Class E, to include banks closed between Jan 1, 1924 and June 30, 1924 inclusive

Regulation No 24, Apr 12, 1927

Provisions relating to Classes A B C & D to be applicable to class E.

Regulation No. 25 Nov. 17, 1927

Class F to include banks closed between July 1 and Sept 30, 1924 inclusive

Regulation No. 26. Nov. 17, 1927

Provisions relating to Classes A B C D & E to be applicable to class F.

Regulation No. 27. July 6, 1928

Class G to include banks closed between Oct 1, 1924 and Apr 30, 1925 inclusive

Regulation No. 28 July 6, 1928

Provision re classes A B C D E & F to be applicable to class G.

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NORTH DAKOTA - Notes on abstracts of reports of assets and liabilities

ew 9/12/56

Original tabulations - with data for each bank - are available from before the beginning of the 20th century for call dates - usually three or four a year - to Nov 4, 1919. These are in large volumes with the headings printed. Mr. Blud, Chief Deputy Examiner, volunteered the information that such tabulations for later dates were available until recently, but were destroyed by Mr. Russ, the present State Examiner, after taking office.

The summaries for all banks for June 20, 1917, Nov. 20, 1917, June 29, 1918 and Dec 31, 1918, closest dates to midyear and yearend, were transcribed.

A tabulation of deposits by size of bank for ~~midyear and yearend dates~~ the above dates would be possible, but would require adding (or transcribing for later addition) six items for each of the approximately 700 banks. While this might have been desirable for one or two dates (most likely Dec 31, 1918) to use along with such distributions for the yearends of the 1920-1928 period - as a base for computing failure rates by size - this did not seem to be of especially great importance with only two failures of guaranteed banks prior to Nov. 15, 1920, and it was thought that the additional time required would not be warranted.

There is also available a ledger entitled "Depositors Guaranty Fund Record of Average Deposits 1918-1929". This gives for each bank once a year its figures for the amount of assessment, average total deposits, and average deposits of the various types. The data are totalled for only the first two years. If totals were available for all years, they would have been transcribed. Also in view of the number of banks (about 700) it has not been thought worthwhile to take the time required to run totals on an adding machine and in view of the number and size of pages photostating would also be expensive.

Note, re Expenses of administration after the Commission expired. The State Examiner's office has a ledger of administrative expenses of the Depositors Guaranty Fund Commission that continues after the Commission ceased to operate toward the end of 1930. Such expenses run into the 1940's, and total about $32,000 subsequent to Sept 30, 1930. These were noted as charged to or withdrawn from the guaranty fund.

After the Commission ceased paying dividends (see notes on minutes of the Commission, page 8, for Aug 12, 1930) the Legislature provided, in a law approved on 1931, that the State Examiner should have charge of the remaining assets of the fund and should use them to pay a dividend to the depositors of the closed banks for which the Commission had determined the amounts due [see law for exact provisions]. The State Examiner and the Deputy stated that a 1% dividend was paid (see also p. 15 of draft report by HST), but they have not located any records regarding these payments,

[Left margin note, partly legible:] This said the 1% dividend was ... next day; ... copy ... [illegible]

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[illegible] of [illegible]

Acceptance of [illegible]

Transfer of funds

3. 4 Student acct (3)

Exchange of credit

1. 5 & 6. Soulie

Excessive rate of interest

8. 10, 12. 13. 14

15 - Bishop

County funds not deposited in accordance with law.

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NORTH DAKOTA - Notes on on a loose-leaf volume entitled

Depositors Guaranty Fund (Hearing on reviews) 1925-1930

Volume ~~I~~ covers 204 cases - usually one page to a case

There is given for each case data such as name of claimant, name of closed bank, case numbers, receivers certificates and commission's claim numbers, names of attorneys, dates of original rejection, referee's report, notice for review, hearing on review, and final decision. Also for each case a statement of the opinion of commission.

Following notes refer to opinions on the first 15 cases, to illustrate the reasons for considering claims not to be guaranteed (most of the claims appealed appear to have been rejected).

No. 1 Dakota Life Insurance Co. Deposits represented notes taken from applicants for insurance to pay a portion of premiums (the bank cashier being the agent) with CD's issued to the claimant company. Many of the notes were not signed and some in excess of amount bank could legally make. Held the CD's were not issued for the receipt of money, or the equivalent of money - and therefore not guaranteed.

No. 2 Opinion not given - claimant was Bank of North Dakota.

No. 3. Standard Oil Co. Claim represented cashier's checks issued to company in prepayment of customer's checks. Held that claimant was not seeking to leave money in the bank for safe keeping, and not intending to make a deposit. "It was necessary to collect its checks and to transfer its funds to its main office." Held that such cashiers checks were not precluded.

No. 4. Powers Elevator Company. This company had a deposit in the bank, and had drawn a cash ticket or check, for which bank issued cashier's check which was presented but not honored. Held that the cashier's check was intended as a transfer of funds and not perfected, but that the original deposit had not been paid and claim by that was allowed.

No. 5. ~~The~~ Claimant had sold ~~the~~ promissory notes to the bank, and had only partially ~~collected~~ received the proceeds, the rest being a C.D. Held that the transaction represented "an exchange of credit, rather than a bona fide deposit." The notes themselves cannot in any event be considered money, nor the equivalent of money." Therefore claim ~~rejected~~ disallowed.

No. 6. An individual. Notes had been sold to bank and discounted, and the claimant given C.D. Rejected on ground that it represented an exchange of credit and not a deposit of cash or its equivalent.

No. 7. Northwestern Bell Tel. Co. Claim represents money collected by an agent and deposited. Held a bona fide deposit and preferred.

No. 8. An individual. Claim was a CD on which claimant received 8% interest, 6% being paid by bank and 2% by a trust company owning all the stock of the bank. Held not guaranteed because 1923 refers to "compensation in any manner or form or for whatever time" in excess of that permitted.

No. 9. An individual. About to move had withdrawn his deposit by taking cashiers checks. Held protected as in No. 4.

No. 10. An individual. Bank records showed claimant had received excessive interest. Rejected.

No. 11. A CD representing a former checking account that had been charged off bank had closed and reopened. Outstanding when bank closed a second time. Guaranteed.

No. 12. Claim disallowed - excessive interest.

No. 13. " " " " "

No. 14. " " " " "

No. 15. Claim for deposit on which a bonus had originally been paid, making 7% interest. After bank had closed and reopened was reduced by ~~me~~ ms at 6%. Held - deposit could not have been withdrawn and new one made, therefore not guaranteed.

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The opinions of Commission in additional cases have been read. By far the majority were similar to the kinds of cases among the first fifteen. Some of different character or with other aspects of interest are summarized below.

Case 18 Slope County. Refusal to credit funds in depositary bank - held not deposits in accordance with law and therefore not guaranteed

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Notes made at later date (in Oct 1938) re Commission's reasons for rejecting claims in cases reading the State Supreme Court (see also notes under Court Decisions in this binder)

Wirtz v Baker (1921) which affirmed finality of Commission's decisions did not pertain to claims rejected by commission - but to proofs of payment in

Standard Oil Co. v Engel (1927) - deposits by the company's agents in banks at points where agents were located - collections in the form of cash, checks, or drafts - for an order upon the bank payable to the company. Such order could not be cashed by the agent, but was transmitted to the company's head office at Fargo. The banks treated these orders as a deposit account, against which no checks could be drawn. "On the facts as thus established, the Commission held that these transactions did not result in deposits; that there was at no time any intent on the part of the plaintiff to deposit its funds in the several banks; that the procedure followed was adopted as a convenient means of transferring plaintiff's funds to Fargo" and that the instruments issued by the several banks to the agents of the plaintiff were, in fact, merely drafts or cashiers' checks for the transmission of funds. Accordingly it rejected the alleged deposits.

Bishop v Depositors Guaranty Fund Commission (1927) This related to certificates of deposit bearing interest at 6% - the maximum permitted - but still plaintiff credited at time of issuance, with an additional 2% interest in their checking accounts. Rejected as being paid an excessive rate of interest.

State v Sorlie (1927) Rejected "for the reason that it represented an exchange of credits and not a bona fide deposit" (no more detail given in decision)

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This quotation not used in North Dakota report

were perhaps somewhat negligent in execution of their duties.

> If Directors generally could be made to fully understand and realize their responsibilities and liabilities as such officers and act accordingly, there would be fewer defalcations, there would be fewer bad loans, there would be fewer closed banks and the whole banking fraternity would grow stronger in public confidence and public trust. A Director is not merely a figurehead, or rather should not be, although he oftentimes is . . . He is placed on the governing board of his institution for a definite purpose and he has certain well defined and definite duties to perform. Those duties include the careful and thorough examination of the assets of the bank at least twice each year at which examination a thorough check-up should be made of the cash, checks, stocks, certificates of deposit, cashier's checks and most important of all, the loans and discounts. . . . It is not of course possible to guard completely against loss by bad loans but proper authorization and and supervision by Directors will go a long way toward reducing them. . . . The law calls for at least two meetings a year in which thorough examination should be had and if such examinations were in fact made, I am satisfied that there would be fewer bank failures in the State of North Dakota. . . . The whole difficulty seems to lie in the indifference with which men holding the position of directors seem to look upon their positions and the child-like trust and confidence they seem to have in their acting managers. They assume the attitude that there is no use to bother about the paper of the bank or any of the transactions carred on within it. . . .
>
> It is not only dishonesty that must be guarded against but also inefficiency and poor business judgment and it is for the Director to know what the man in actual charge of the bank is doing. His responsibility is not only to the stockholders who have elected him to safe-guard their interests but he is also under a moral obligation to the depositors. 1/

Except for the two instances cited above reports of the State Bank Examiner and State Banking Board give no other statements of evidence regarding the general status of the State's supervisory practices, procedures, and recommendations.

1/ Report of State Examiner to the State Banking Board, June 30, 1922, pp. 7-8.

In 1922, just after the first onslaught of bank failures, a circular letter to directors of all State banks pointing out their responsibilities in regard to bank management indicates that directors

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F Newspaper articles, etc

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Document type: Journal article

Pages Removed:

Author(s): Cooke, Thornton

Title: The Collapse of Bank-Deposit Guaranty in Oklahoma and Its Position in Other States

Date: November 1923

Journal: The Quarterly Journal of Economics

Volume: Vol. 38, No. 1

URL: www.jstor.org/stable/1885771

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Notes on Proceedings of the North Dakota Bankers Association 1907-

Excerpt from President's Address by Hon John L. Cashel at Fifth Annual Convention, North Dakota Bankers Association in Proceedings of the Fifth Annual Convention of the " " " ", 1907

Quotation

I would recommend for serious consideration the creation of a depositors' guarantee fund for the safety of depositors and protection of banks in times of financial depression. In these periods frequently solvent institutions are forced into liquidation through the lack of confidence of their patrons, or their inability to convert a sufficient amount of their assets into money, to meet the demands of their customers. With a guarantee fund confidence would be established and "runs" would not occur. (P. 81)

Then continues with comments indicative he is talking about a national plan - not a State system:

At same session Congressman Hon A.J. Gronna spoke on "Bank Guarantee Deposit Fund". He referred to the bill he had introduced in Congress, and estimated that an assessment of ½ of 1% per year on deposits would have been sufficient to cover losses of the previous ten years.

Proceedings of the Sixth Annual Convention of the North Dakota Bankers' Association, 1908. shows a standing committee of 3 persons on "Insurance of Bank Deposits". appointed as a report of a special committee

Proceedings of the Seventh Annual Convention of the North Dakota Bankers Association 1909 adopted a resolution approving an ABA resolution opposing deposit guaranty legislation and congratulating the Legislature of N Dak. in declining to pass any of the bills introduced for this purpose. (p. 96-81).

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Notes on Proceedings of the North Dakota Bankers Association. 1907 - page 2

1910 - nothing re deposit guaranty noted
1911 - " "
1912 " " "
1913 " " "

Aug. 1914 Convention Number of the North Dakota Bankers Proceedings of Twelfth Annual Convention
pp 31-38 talk "The Guaranty Law" by L. E. Phelps, Cashier, Berlin-Ordway Bank, Berlin, N. Dak. Opposed.

July 1915 Convention Number of the North Dakota Bankers Vol III. No. 10.
In Report of Legislative Committee p 9:
"As usual, the legislature had to wrestle with a Bank Guaranty Bill."
Committee worked against it. Introduced and defeated in each house. No. 10

July 1916 Convention Number of the North Dakota Banker Vol. IV. No. 10
President's address by W. D. McClintock. referred to S. Dak law and "it looks to me that now is an time for the bankers of the state to investigate this matter and see if it would not be advisable to have a bill presented to the next legislature!" (p. 2).

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COMMERCIAL WEST, Vol. 42, July-Dec., 1922

Excerpt from report of "Twentieth Annual Convention North Dakota Bankers", in issue of July 1, 1922, p. 19-20.

DEPOSITS IN CLOSED BANKS AND BANK GUARANTY LAW

Deposits in 46 closed banks of the state total $7,437,036.90, George H. Hollister, Fargo, told members of the bankers' association. He reported as chairman of a special committee appointed last year to look into the situation caused by closure of a large number of banks in the state.

Of this amount $2,984,712.28 is unguaranteed, $803,386.71 is questioned and $3,648,937.91 is guaranteed, he added. The state guarantee fund is $426,000. The figures are the result of an audit made by H.P. Goddard of the committee, and others.

The unguaranteed and questioned deposits include "any item that was not a good faith deposit as ordinarily understood," the report adds.

After working on the matter nearly a year, the report says: "We believe that the real underlying reason why such conditions should develop is inadequate laws and lax supervision on the part of the state banking department. True, there were many contributing causes-questionable practices, dishonesty, inexperience, zeal to make money, too many banks in many places, banks owned by those who only looked to dividends, and political banks, but were there strict and intelligent supervision, backed up by proper laws, the dishonest, inexperienced, greedy or partisan ownership would not find the field available nor profitable."

Mr. Hollister says the committee will oppose the proposition that approximately $800,000 of redeposits by the Bank of North Dakota in the closed banks, are recovered by the state guaranty law.

Mr. Hollister's report showed that all told 65 banks had been closed, and that 19 of them had been reopened.

"The first problem facing your committee was the invention of a comprehensive system of audit and report," says Mr. Hollister in his report, "and a close second the matter of expense of the audit. The system was developed by the committee at the members' own expense. This system was to go to the closed bank, tabulate each deposit, by name, address, amount and terms; then each deposit was carefully investigated and the condition surrounding each one unearthed. The law specifically excepts 'bills payable' as not guaranteed, and also, ' deposits otherwise secured' are not guaranteed. The law fixes the maximum rate of interest that may be paid, and court decisions of other states lay down the rule that deposits upon which an excess rate is paid, or were created by an exchange of credits, are not guaranteed. All of which led us to the basis of rejecting the following classes of liabilities that are commonly carried as 'deposits' in the ordinary bank:

"Certificates of deposit for money borrowed.
"Certificates of deposit upon which an excess rate was paid or promised.
"Certificates of deposit given in exchange for paper taken.
"Certificates of deposit guaranteed by officers or directors personally.
"Cashier's checks.
"Open accounts or certificates which were not expected to be drawn except by some special arrangement.
"Any item that was not a good faith deposit as ordinarily understood.

"The matter of expense of auditing 50 banks was a more serious problem; but after much thought, negotiation and argument, your committee prevailed upon the guaranty fund commission, supported by proper opinion of the attorney general, to allow this expense to be a charge upon the guaranty fund; this upon the broad ground that the expense of administering any fund where the law is called into operation for that purpose, is properly chargeable to such fund. The secretary of the committee, Mr. Goddard, has audited nearly all of these banks, having been continuously at work for the past six months; others having helped out lately in order to have the work complete for this convention.

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President's address, same issue, p. 27, has following figures

Total number of state banks that have been closed 65 ~~64~~
with deposits of $10,298,046.53

Total number of these reopened 19, with deposits made available 2,385,547.53

Total number closed at this time 46, with deposits $7,912,499.00
Incl. ~~5 full~~ 4 partial (see ans.)

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Commercial West, Vol. 46, July - Dec. 1924, October 25, p. 36.

"Depositors in North Dakota's Closed Banks to be Paid in Part"

Bismarck, N. D. -- The state guaranty fund commission, in charge of the administration of the fund derived from assessments on state banks to reimburse depositors in closed banks, has announced its intention to make the first payment under the guarantee law to depositors of banks closing before July 1, 1923.

A 10 per cent. dividend will be paid depositors of this class of banks, with this exception: All deposits of $10 or less will be paid in full. Also the commission will not issue a ~~guaranty~~ guaranty fund certificate for less than $2, which would result in a deposit of $12 or less being paid in full. The plan is to make a flat payment of $10 on all deposits of $100 or less, a dividend of 10 per cent. on all deposit of more than $100.

The commission will expend about $600,000 of its fund of about $1,000,000 in making this fist dividend payment to depositors. It is contemplated under the plan that depositors of banks closing after July 1, 1923, will in the subsequent payments will receive sufficient amounts from the guaranty fund so that, as far as practicable, all depositors of closed banks will be paid pro-rata.

The announced method of making the first distribution of the fund was worked out by the guaranty fund commission, composed of Governor Nestos, ex-officio chairman; C. R. Green, manager of the Bank of North Dakota, ex-officio member; S. G. Severtson of Bismarck, appointive member; C. B. McMillan of Hannah, appointive member, and Gilbert Semingson, state examiner, ex-officio secretary. Much of the detailed work has been done by Mr. Severtson and Mr. McMillan, as appointive members.

There are about 21,000 depositors of 58 banks closing prior to July 1, 1923, who will share in the dividend, of which about 8,000 had deposits of $12 or less, according to statistics compiled by the commission. By paying off the small depositors in full, many thousands of dollars in administrative expense will be saved the commission, it is said. The total amount of deposits in these banks guaranteed is estimated to be about $5,000,000.

The commission, in deciding to pay a dividend to depositors of banks closing before July 1, 1923, announced that the fund was inadequate to make a substantial pro-rata payment at this time to depositors of every bank closed up to this time, and a large proportion of the banks closing after that time had not been audited or claims made so that payment could be made promptly. There also is the likelihood that a number of the banks closing since July 1, 1923, will be reopened, and the dividend could not well go back of the point where a closed bank may reopen.

It also is declared that to audit all banks, classify all deposits, hold hearings on disputed claims, and to do other things necessary before deposits can be paid, would require so great a clerical force as to be a burden on the fund and an injury to depositors, and would delay the dividend payment, if made absolutely pro-rata at this time.

"Effect of Reopening Banks in North Dakota"

Bismarck, N. D. -- The policies of the guaranty fund commission and the state banking department during the last year and half, the most crucial period in the history of the banking business in North Dakota, has reduced the liabilities of the depositors guaranty fund commission by $4,228,104.84,

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through the reopening of banks, officials believe.

It is pointed out that each time a bank closes, the deposits become a liability of the depositors guaranty fund commission, and since that commission has not, and will not for years, have sufficient funds to pay all depositors, the reopening of one of these closed banks increases the dividend it is possible to pay to the depositors of banks that cannot be reopened.

The depositors guaranty fund commission and state banking department, with faith in the future of the state and acting under the bank administration act of July 1, 1923, endeavored to keep many banks open and to reopen many closed banks. Thirty-one of the closed banks in the state, having deposits totaling $4,228,104.84 have reopened for office. Several more banks are scheduled to reopen within the next month, so that it is expected soon banks having total deposits of more than $5,000,000 will have reopened. With the liability of the gauranty (sic) fund commission to depositors of closed banks reduced this much, it will be able to pay larger dividends as assessments on open banks are received.

The bank administration act of July 1, 1923, enabled the commission to reopen banks. But it applied enough, officials say, to accomplish reopening of many banks and the keeping open of many.

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From Commercial West, Vol. 48, July-Dec. 1925, August 1, p. 36.

Bismarck, N.D. -- The Bank of North Dakota is not entitled to recover from the depositors guaranty fund commission $12,632.83 which it had redeposited in the First State Bank of Crystal Springs, it is held by Judge C. J. Fisk, referee of the commission, in findings of fact and conclusions of law submitted to the commission in the case.

The decision controlling in many similar cases, involves claims of the Bank of North Dakota approximating $1,000,000 against the commission. Failure of the Bank of North Dakota to secure participation in dividencs of the guaranty fund commission would increase money available for other depositors. The bank plans to appeal from the referee's decision.

An exhaustive review of the case is made by Referee Fisk, because of its importance in deciding other cases in which the depositors guaranty fund commission has refused to accept liability on deposits.

The referee holds, in this case, that there was no actual deposit of cash, or its equivalent, as required by the guaranty fund law; the transaction was not a deposit at all, but a mere loan by a correspondent bank and the transaction was otherwise secured.

The money in the Crystal Springs bank as a "redeposit" was placed there by private treasurers and the deposit taken over by the Bank of North Dakota, and later other deposits were made, called redeposits by F. W. Cathro, then director general of the bank.

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Plan of North Dakota Depositors Guarantee Fund Commission

How Liabilities Were Reduced, Receiverships Avoided and Closed Banks Were Reopened

Bismarck, N. D.—Liability of the depositors guaranty fund commission to depositors of closed banks has been reduced $6,090,926 by the commission by the reopening of special deposit and closed banks and sale of assets and claims, extending over a period of two years, investigation of records of the commission reveals. The task undertaken by the body, under laws enacted in 1923, with especial reference to supervision of banks placed on special deposit and reopening of banks, is now nearly ended, and the task soon will be left entirely with the receiver to wind up the affairs of the banks and the guaranty fund commission will accept the liability to depositors.

During the time the commission was endeavoring to carry out the spirit of the law and meet an unusual condition in banking circles, an entirely new procedure in banking history was invoked, and a new plan evolved which has since been put into effect in other sections where similar conditions were met.

Special Deposit Plan Valuable

One of the unique features of the law, which was placed on the statute books during the 1923 legislature, when Independents controlled both houses, provided that where a bank was temporarily embarrassed, and probably could make recovery, it might be placed on "special deposit"—permitted to remain open, handle existing business and receive new deposits which, however, should be placed in a special trust fund and exempted from the receiver's assets should the bank again be forced to close. The method was invoked to make possible reorganization and strengthening of banks in financial straits, with a view of avoiding receivership which, experience had shown, usually proved costly to depositors in the dissipation of assets.

Officials of the depositors' guaranty fund commission were somewhat surprised to learn, a few months ago, that the same principle had been applied in Norway during a serious financial strain. Apparently both plans were worked out independently, at about the same time, and to meet substantially the same conditions.

Depositor Agreement Helps

The socalled "Center plan" worked out by the guaranty fund commission and its depositors' agreement plan, under which depositors agree to leave funds in a bank for a stated time, if it is reorganized and reopened, have been used within the last year in South Dakota and Montana, and affairs of some national banks have been brought under the latter plan, with the approval of the comptroller general. Banking officials here point with some pride to this development, as an evidence that their pioneer work in an uncharted field has spread beyond the borders of the state, and been approved as sound elsewhere.

The socalled "Center plan" was worked out by the guaranty fund commission, and gets its name from the fact that it was first adopted for the purpose of reorganizing and salvaging the assets of the closed Bank of Oliver County of Center. The plan is one whereby either depositors or others interested in having an open bank in the town where a bank has closed, organize a new bank or arrange to have an open bank move in from some other town. The new bank bids for the good and bankable assets of the closed bank at 100 cents on the dollar and is allowed a year in which to exchange any of the notes taken over under its bid with the receiver for any notes which remain in his hands. Under the plan the new banks have really a year in which to make a selection of the bankable assets and no depositor or creditor is injured, it is claimed by members of the commission. Notes are not sold at a discount, but at a full 100 per cent. All assets not included in the bid remain in the hands of the receiver. Depositors sign agreements to accept certificates of deposit of the new bank, to the extent of the proportion due each, as the amount of bankable assets compares with the closed bank's entire liabilities. The virtues of the plan, as seen by the guaranty fund commission, are that it permits a greater salvaging of assets in a shorter time than would be possible under a receivership and provides banking facilities for the community.

38 Banks Are Restored

During its work of reopening of closed banks, through strengthening and reorganization, the depositors guaranty fund commission auditors have examined 108 banks, including 60 special deposit and 48 closed banks. It has reopened in full 26 special deposit banks and 12 closed banks, a total of 38. The deposits of the 26 special deposit banks totaled $4,040,178.00 and of 12 reopened closed banks $877,818.00. In addition there was sold on bid to open banks acceptable assets of four special deposit banks, taking over part of the depositors' claims, totaling $672,598.00 and a similar sale of assets of closed banks, which were reopened made totaling $500,332. The total liability of which the guaranty fund was relieved under this plan reached $6,090,926.00.

Commission Has Been Busy

The depositors guaranty fund commission, which has been criticized in various quarters during the last two years, at least has not been idle, according to members. A resume of the work required in the examinations and reopenings is furnished as follows:

Inspectors of commission examined 108 banks. The commission examined every item in these reports which included examination of 31,228 loans together with the security attached to each, such as listing and valuing chattels, real estate, collateral, notes, financial statements of makers, chattel and real estate abstracts. Valuing 104 banking houses, 108 sets of furniture and fixtures in which every item from a burglar proof screw door safe down to an ink well was invoiced and appraised, fire, tornado and burglary insurance policies checked and verified.

Caused to be listed and appraised other real estate. Estimated number of pieces over 500 and acreage over 86,000 besides valuing town properties carried on the real estate accounts. Checked and verified depositors' accounts to the number of 44,496.

Verified 540 accounts with correspondent banks or reserve banks. Also 432 accounts bills payable with all the thousands of notes and securities pledged as collateral.

Five copies of each report are required to be made in in each bank, and these reports, if piled one on top of the other, would make a pile over 20 feet high and estimated weight would be half a ton. The minutes of the commission since the inauguration of the guaranty fund amount to 428 pages, of which 286 pages have been made since July 1, 1923, and equal to 363 closely typewritten letter size pages.

WISCONSIN TELEPHONE EARNINGS

Madison, Wis.—The Wisconsin Telephone Company, one of the 26 companies making up the Bell System, reports operating revenues of $11,520,010 for 1924, and a net after taxes of $2,338,992. Other income was $107,986, making a $2,446,978 gross. Net income after all charges was $2,320,670. It was $2,013,579 in 1923.

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Notes on The Northwestern Banker Re deposit guaranty in North Dakota

Vol. 16, March 1911. Article recommending - see notes on South Dakota, page 1

Vol. 20, March 1915, p. 34. States guaranty of bank deposits bill introduced in house, but bankers hope it will be defeated.

Vol. 22, September 1917, p. 67. "Because the state guaranty board fears that a reduction in the interest rate would remove from North Dakota many large deposits at a time when they are most needed for the movement of crops, it has granted state banks authority to ignore the new legal maximum rate of 5 per cent and to continue paying 6 per cent."

Vol. 23, August 1918, p. 66. "State Examiner Waters has mailed to 700 North Dakota banks certificates showing that they have qualified to have their deposits guaranteed under the North Dakota State bank deposits guaranty act, which became effective July 1st. Under this act one-twentieth of one per cent of the average daily deposits of each state bank is levied to stand as a book credit to a fund not to exceed $100,000 which will be used in guaranteeing depositors from loss against failure or defalcation. There are 805 state banks in North Dakota. The certificates of 100 have been held up temporarily owing to technical reasons."

Vol. 26, p. 88. Reports decision of Supreme Court re Bank of North Dakota, that it is a private corporation possessing none of the powers of the state. From the decision:

"The Bank of North Dakota is not a part of the state government, and that in creating a private corporation, the state of North Dakota does not impart any of its privileges or prerogatives. That it lays down its sovereignty so far as respects transactions of the corporation.

"It is unconstitutional to guarantee the deposits of the Bank of North Dakota by the state because the state debt limit of $2,000,000 is exceeded." See over

June 1921, p. 28, 106, 108. Article, "The Non-Partisan League and Its Effects in North Dakota." Reviews origin and early policies of the Bank of North Dakota, asserting that "the handling of public funds completely upset the entire financial structure of the state, and that when later on a law was passed by the people of the state under our Initiative and Referendum Act, initiating a law that curtailed the amount of funds that could be concentrated in the state owned bank, and making a re-distribution of the funds necessary, a number of banks were forced to suspend payments on account of heavy withdrawals of funds made from them by the Bank of North Dakota, in order to meet the demands of the Treasurers of the sub-divisions of the state who, under the provisions of the initiated law preferred to transfer funds from the Bank of North Dakota to local banks." (p. 108). This was possible because Bank of North Dakota had redeposited the public deposits with it with other banks, but concentrated in certain banks.

June 1921, p. 168. Quotes from address before a district bankers association by A. E. Sevaried, cashier of Merchants State Bank of Velva. Says there are 30 to 40 State banks that have been closed, of which some will soon reopen, but others will have to close before fall. Some losses will be heavy, and loenas necessary in some of those that reopen. Critizes law because bankers have no part in handing receiverships and liquidations, though they pay the losses. Says many banks have abused the law, though the law has helped to maintain confidence in the banks.

August 1921, p. 80. Quotes from address of H. P. Beckwith, retiring president of North Dakota Bankers Association, before convention of the association. Makes same point as Sevaried. Notes, however, that "House Bill No. 157 passed at the lase session of the legislature, makes it imperative that the governor shall appoint all future members of the guaranty fund commission from a list of nine names, which names shall be selected by the state bankers, or those effected by the law."

Also refers to House Bill 151--depositors' guaranty commission, passed by legislature.

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This decision must have been the District Court decision in Sargent County v State, which was appealed to the State Supreme Court and decided March 2, 1921, 182 NW 270, 47 ND 561.

The Supreme Court decision upheld the essence of the first paragraph of the quotation here — i.e. that while the Bank of North Dakota is an agency of the state it has the status of a corporation entitled to sovereignty of the state. On this basis the Court upheld the right of a county to withdraw its deposits from the State Bank — after passage of the initiative law in Nov, 1920, and to have garnisheed proceedings applied — which was the issue in the case. However the Supreme Court in its decision said nothing about the constitutionality of the guaranty of deposits in the Bank by the state, though it noted that provision in the statute creating the bank.

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Vol. 27. August 1922, p. 83. Reports talk on needed legislation by W.F. Hanks, retiring president of the North Dakota Bankers Association.

"Much needed legislation, affecting the interests of every member bank, will be undertaken at the coming session of the new legislature, including complete revision of the guaranty of deposit law and banking laws.... A law giving the guaranty fund commission power to appoint and remove receivers of closed banks...."

Same issue, p. 84. Summarizes report to state bankers association at Minot convention ofchairman of committee appointed previous year to took into the situation caused by closing of a large number of banks. Reports total deposits in 46 closed banks at $7,437,037, of which $2,984, 712 is unguaranteed, $803,387 is questioned, and $3,648, 938 is guaranteed. The state guarantee fund is $426,000. As to causes --

"We believe that the real underlying reason why such conditions should develop is inadequate laws and lax supervision on the part of the state banking department. True, there were many contributing causes, questionable practices, dishonesty, in many places, banks owned by those who looked only to dividends and political banks, but were there strict and intelligent supervision, backed up by proper laws, the dishonesty, inexperienced, greedy or partisan ownership would not find the field available nor profitable."

Vol. 29, February 1924, p. 81. Reports announcement of the guaranty fund commission that under new law banks will not be closed when businessis first suspended, but will be placed under control of the commission, permitted to do business only in liquidating its obligations, without paying money to old depositors, but accepting new deposits and pacing them in a trust fund.

Vol. 30, March 1925, pp. 9-10. Reports guaranty fund commission engaged in paying 10 percent of face of claims against 58 banks that closed prior to July 1, 1923, and possibility of a payment soon to banks closed after that data. Included in group of authorized payments are all claims of $12 or less, estimated at about 15 percent of the numberof claims. Face of claims is also being reduced from collections by receiver.

Legislators reported studying a proposal to bond the state for $10,000,000 to pay all depositors of closed banks. But claim is made that so much of the money would be paid outside the state that property owners would pay more in taxes than they would receive on their claims. Bill to abolish the guarantee act, also under consideration, would declare act null and void after the end of 1925.

Same issue, p. 75. Brief "editorial" reporting bill introduced to remove guaranty after Dec. 1, 1925, law remaining in effect with respect to deposits in banks now closed, and assessments to continue until they are paid.

April 1925, p. 61. Slow progress being made in paying the 10 percent dividend on the first 58 banks closed prior to July 1, 1923, due to use of a small office force. Several months to be required to complete payment, with 20 banks now paid.

Vol. 33, January 1928, p. 85. Reports agreement by guaranty fund directors and state industrial commission that the guaranty fund accepts responsibility for $811,131 of deposits made by the Bank of North Dakota in banks subsequently closed. Total claims of the Bank of North Dakotawere fixed at $1,476,520, of which $665,389 were classified as loans and not covered by the guaranty law. "Because it was impossible to determine the value of the claims against closed banks, recent audits of the Bank of North Dakota have not listed the deposits."

August 1928, p. 89. Reports proposal to issue $25,000,000 in state bonds to pay depositors in statebanks to be submitted to voters at November election.

Vol. 34, April 1929, p. 91. Reports defeat of proposed bond issue by voters (15 to 1) and repeal by the Legislature of the deposit guaranty law (39 to 9 in senate and to 9 in the house)

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"The stockholders of the banks, both those which closed their doors and those which were able to continue business, as a class, are entitled to sincere commendation; time and again they came to the rescue in amounts of money far beyond their legal liability and so great, not infrequently, as to cause their own ruin.

'There are very few banks which went down in the crisis which did not carry with them the stockholders; it was the exception, indeed, where the stockholders in a struggling bank did not sacrifice unflinchingly their fortunes, be they great or small, which they had accumulated as the fruits of their labor to provide against want during their declining days".

North Dakota Banks During Deflation with Suggestions Thereon. By Geo. A. Bangs, Address June 22, 1926 North Dakota State Bankers Ass. Grand Forks N. Dak. p 7.

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VI. NORTH DAKOTA

The fifth and last state to adopt a compulsory guaranty of bank deposits plan was North Dakota. The law went into effect here in 1917. It provided for a regular annual assessment of 1/20 of 1 per cent of average daily deposits until the fund should reach 2 per cent of deposits when assessments ceased until it fell below 1½ per cent. In case of emergency four extra assessments of 1/20 of 1 per cent in any one year could be called for, making the maximum total levy ¼ of 1 per cent.

The banking law in this state gave the banking authorities full discretionary authority to investigate and pass upon the desirability of granting charters for new banks both from the point of view of the qualifications of the organizers and of the public need for additional banking facilities. They had powers to submit to careful scrutiny all established banks before admitting them to the guaranty plan and to close those that could not comply with the prescribed requirements of condition and management; under this power several banks were closed. Minimum capitalization for a new bank was $15,000, in places up to 1000 population, with a rising scale for larger places. When the guaranty law went into effect there were 430 banks with capital less than $15,000, of which 414 had capital of $10,000 or less. For several years immediately prior to the passage of the act there were no state bank failures reported in North Dakota. The apparent success of the plan in other states during the first years of its operations under favorable conditions was a factor in its adoption in North Dakota rather than any immediate situation there as an argument for its adoption.

When the plan started there were all told 695 state banks in North Dakota, with deposits of $90,300,000, and 158 national banks with $59,000,000. Thus there was a total of 853 banks with $149,300,000 in deposits, of which 80 per cent were in the state system, holding 60 per cent of the deposits. At this time there were only 910 persons per bank in this state.

Moderate Expansion of State Banking

In the first three prosperous years of the plan the number of state banks increased moderately. On June 30, 1920, there were 717 state banks, an increase of only 22 units, with deposits of $124,100,000, or an expansion of $33,800,000. In the same period the number of national banks rose to 181, a gain of 23 units, with deposits of $76,800,000, a gain of $17,800,000. At this stage there were 898 banks of both classes, a gain of 45, or 5 per cent, and $200,900,000 in deposits, an expansion of $51,600,000, or 34 per cent. State banks now constittued 80 per cent of the total as to numbers and held about 62 per cent of the deposits. At this point there were only 720 persons per bank, so that the condition of over-banking had become even more acute.

The contribution of state banking to the inward weakening of the banking situation during this initial period of the guaranty plan was greater than appears on the surface of the foregoing figures, which indicate but a moderate expansion. Between June 30, 1917 and June 30, 1920, 89 new state banks were chartered, a number that was partially offset by consolidations and liquidations among state banks and by conversions to national charters. Among the newly chartered state banks 62 had capital of $20,000 or less and 50 had the minimum of $15,000. The net result of these shifts tended to increase the number of banks in the state with small capital and located in small places. The number of banks in the $15,000 to $20,000 classes increased from 169 in 1917 to 221 in 1920.

During its first three years the North Dakota guaranty plan experienced no difficulties. In this period, in the third year, two banks were sus-

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pended and their depositors were promptly paid in full with the aid of the guaranty fund. In the fourth year the collapse began.

The Basic Fallacy of the Guaranty

In the year ended June 30, 1921, 51 state banks failed. Crop failures among bank borrowing customers and national money stringency were attributed as the main causes in the report of the state bank commissioner. This, then, accentuates in clear-cut terms the basic fallacy of the guaranty idea. It attempts by means of premiums on the limited basis of the banks, which are only a part of the financial structure, to insure against the results of risks which originate outside the banks and are as wide in their source as the entire economic situation. It is as though a single insurance rate, based on fire experience alone, were made to serve for indemnity against all kinds of disaster.

In 1922, 12 state banks closed, in 1923, 20, and in 1924, 127. The aggregate liabilities of the 210 banks that closed in the four year period, 1921-24, were $39,600,000. The number of suspended banks was 29 per cent of those in operation at the beginning of the trouble in 1920. During this period 28 national banks, or 15 per cent of those at the outset, were suspended.

Bank Failures Under the Plan

During the next five years, 1925-29, 175 more state banks closed in a steady average of 35 a year. In 1929 the law was repealed. In the ten years of the operation of the plan from 1919 to 1929, a total of 387 state banks suspended, out of 710, or more than 50 per cent, with aggregate liabilities of $67,000,000. In this period 61 national banks in North Dakota also failed, which was 35 per cent of those in operation at the outset. This unusually high ratio for national banks doubtless was indicative of the unusually difficult conditions that were prevalent and which created economic risks that were wider than banking and entirely uninsurable through the limited medium of assessments against banks, based on their deposits for computation, but falling wholly on the much narrower basis of capital earnings for source of payment.

Financial Breakdown of the Plan

The financial disaster of the North Dakota guaranty plan was complete. The assessments during the life of the fund amounted to about $2,000,000. This was sufficient only to pay 10 per cent on the claims of depositors of about 200 of the closed banks. At the close of 1928 the outstanding certificates and claims eligible to guaranty totalled $25,000,000, against which there were estimated assets in the hands of the fund totalling approximately $13,000,000, leaving a then apparent deficit of $12,000,000, which was increased to some $14,000,000 by subsequent claims.

There was, in this case, no provision for interest, so that all the income from assessments was applicable against the principle, but this income in 1928 was only about $140,000, and the deposits in state banks were rapidly shrinking. The prospects of ever actually wiping out the deficit by this means were therefore hopeless. A proposal to issue state bonds to pay off the depositors of the closed banks was overwhelmingly defeated. The guaranty law was repealed in 1929.

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GUARANTY OF BANK DEPOSITS - NORTH DAKOTA

From Federal Reserve Bulletin, September 1925

Guaranteed deposits in North Dakota State banks on March 14, 1925, amounted nearly to $86,000,000. In the eight years 1917 to 1924 participating banks had paid assessments totaling $1,274,000. Complete settlements had been effected in the case of two failed banks by the payment of $169,156, and 10 per cent dividend payments to depositors in 58 closed banks had been made totaling $212,710. The number of participating banks is given as 504; the amount in the fund as $915,505, and the amount of outstanding certificates of indebtedness as approximately $21,000,000. No estimate, it is stated, can be made of the amount of guaranteed deposits in failed banks. Recoveries realized on the assets of closed banks have amounted approximately to $200,000. Assets in the hands of receivers total approximately $35,000,000 and are estimated to be worth not more than 40 per cent of this value. Under present arrangements a very long period of time would be required to provide out of assessments for claims admittedly valid against the fund.

NORTH DAKOTA

Institutions included.—Every corporation, except national banks, whose business in whole or in part consists of the taking of deposits or buying and selling exchange, shall be subject to the provisions of this act, and trust companies doing a general banking business separate and apart from the writing of surety bonds and other general business, and building and loan associations receiving savings deposits shall also be subject to the provisions of this act.

Participation.—Compulsory.

Character of deposits guaranteed.—All deposits for which money or its equivalent, and for which full value has been received by the bank wherein such deposit is made shall be guaranteed, but the guaranty provided for in the act shall not apply to a bank's obligations as indorser upon bills rediscounted nor to bills payable, nor to money borrowed from its correspondents or others, nor deposits otherwise secured, nor deposits upon which compensation in any manner or form or by whatever device has been promised or paid in excess of the rate of interest as limited in this act.

Basis and rate of (a) regular and (b) special assessments.—(*a*) One-twentieth of 1 per cent of the average daily deposits annually until the fund reaches 2 per cent of the average daily deposits, when the assessments shall cease until such time as the guaranty fund is depleted below 1½ per cent of the average daily deposits, when the necessary assessment may be again levied at one-twentieth of 1 per cent per annum until the fund again reaches 2 per cent of the average daily deposits. (*b*) The commission is authorized to levy additional assessments of one-twentieth of 1 per cent, but not to exceed four such additional assessments shall be made in any one year. New banks admitted to the system shall pay in an amount equal to 3 per cent of their capital, and the assessments on such banks shall be so adjusted that the first two assessments, together with the 3 per cent payment, shall equal at least one-half of 1 per cent of the average daily deposits as shown by the first annual statement. National banks that have reorganized as State banks shall set apart and credit to the depositors' guaranty fund such amount as will place them on an equal footing as respects such fund with other State banks.

Method of payment of depositors.—The secretary of the commission shall issue certificates of indebtedness to the persons entitled thereto for the amount of all accepted deposits. If there are not sufficient funds in the guaranty fund to pay such certificates, such certificates shall be payable out of such fund pro rata. To the extent of the deposits accepted and allowed as guaranteed the commission shall be subrogated to all the rights of the guaranteed depositors to participate in the assets of the bank and as such assets are collected they shall from time to time be distributed pro rata among the holders of certificates issued to the guaranteed depositors until full payment is made to the holders of the certificates.

Powers of State board or commissioner.—The commission shall have the supervision and control of the guaranty fund and shall have power to adopt all necessary rules and regulations not inconsistent with law for the management of such fund. (1) The commission is authorized to examine at any time banks admitted to the guaranty fund. The act provides in detail for the taking charge of banks in bad condition by the commission and if necessary the winding up of the affairs of such banks. The commission is authorized to levy assessments as set out above. If a bank fails to pay any assessments as provided in the act, the commission is authorized to liquidate it as in the case of insolvent banks.

Disposition of guaranty fund.—Assessments levied on banks shall be set apart, kept and maintained in such banks payable to the depositors' guaranty fund commission on demand, and shall constitute the depositors' guaranty fund.

Maximum assessment in any one year.—Five assessments of one-twentieth of 1 per cent each of the average daily deposits.

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NORTH DAKOTA

[Laws of 1923, Senate Bill No. 250, chapter 200]

Sec. 1. Guaranty fund commission—Depositors' guaranty fund commission—Established—Compensation—Expense.

"There is hereby established a depositors' guaranty fund commission of the State of North Dakota to be composed of five members, viz, the governor of the State of North Dakota, the manager of the Bank of North Dakota, and three members to be appointed by the governor of the State. All appointments to membership of said commission, whether to fill a vacancy or otherwise, shall be made by the governor of the State of North Dakota from a list of names of nine men furnished by the banks directly affected by the provisions of this act. All members of this commission shall be residents of the State of North Dakota and all members except the governor shall have at least five years' experience in the management of some bank or banks located within the State of North Dakota. The present appointive members shall serve out the term for which they were appointed and each succeeding appointment, except to fill a vacancy caused by death, resignation or removal of a member, shall be for a period of three years. The governor shall be the chairman of said commission, and the attorney general shall be ex-officio the attorney for the commission, and the State treasurer shall be its treasurer, and the secretary shall be appointed by the commission, and the commission shall have power to fix the compensation of such secretary to be paid from the depositors' guaranty fund, which shall not in any case exceed the sum of $2,000 per annum. The State examiner may be appointed as such secretary. The members of the commission, other than the governor, shall receive for their services $5 per day for the time actually served and their actual expenses incurred in the performance of their duties, the same to be paid out of the general fund of the State. Said commission shall have the supervision and control of the depositors' guaranty fund and shall have power to adopt all necessary rules and regulations, not inconsistent with law, for the management and administration of said fund."

Sec. 2. Commissioners—Qualifications—Oaths

The act provides for the taking of the oath of office by members of the commission and an oath to keep secret information obtained in the performance of their duties; it also provides for the bonding of members of the commission.

Sec. 3. Regular and special meetings, how called, and where held.

The act provides for the holding of four regular meetings of the commission each year and also provides in detail for the calling and holding of specia meetings.

Sec. 4. Depositors' guaranty fund commission—Duties.

This section is substantially the same as section 9009 of the South Dakota laws above quoted.

Sec. 5. Guaranty fund—Assessment.

"For the purpose of providing a depositors' guaranty fund for the protection of depositors in banks, every institution engaged in the business of banking under the laws of this State, shall be subject to assessment to be levied, collected, administered, kept and applied as hereinafter provided."

The balance of this section deals in detail with the appointment of inspectors by the guaranty fund commission and the adoption of reports of examination of banks of such inspectors by the State examiner's department.

Sec. 6. Expenses of examination.

This section sets out in detail the charges which the commission may make for the examination of banks.

Sec. 7. Information to be acquired by commission.

This section requires the commission to be informed of the condition and management of banks admitted to the guaranty fund in order to determine whether the interest of the guaranty fund is endangered by further guaranteeing the deposits of any bank.

Sec. 8. Manner of acquiring information.

"For the purpose of acquiring information as to the condition of any such banks, the commission, by its members or its inspectors, as provided for in this act, shall have full access to all the records and files of the banking department of the State; and it shall also, by its members or its said inspectors, have full power and authority to enter into any bank admitted under said fund, at any time, and take charge of its assets, papers, documents and records, for the purpose of examination and investigation, during such time as shall be necessary for the purpose of auditing its affairs, and ascertaining its condition and its methods of conducting business; and either the individual members of the commission or the inspectors of the commission shall have power and authority to call and put under oath, and examine any officer, stockholder or employee, creditor or debtor of any bank, in connection with the examination of its affairs, or to obtain explanation of anything connected with its business, records or management; and in case of the refusal of any such person to appear for the purposes of examination, any judge, clerk of court, or justice of the peace, within the jurisdiction of whom such bank is located, shall upon request of such commissioner or inspector issue a subpoena for such person, commanding him to appear at a time and place stated, and to submit to

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such examination, and answer questions and sign his testimony, if reduced to writing, and if any person so subpoenaed shall fail to appear or to obey such order, the judge of the court from which such subpoena is issued, or the justice issuing the same, shall have authority and jurisdiction to punish such person for contempt. The testimony so taken may be, by the commissioner or inspector, reduced, or caused to be reduced, to writing, and at his direction shall be subscribed by the person examined.

"Whenever any member of the guaranty fund commission shall acquire information leading him to believe that the condition of any bank is such that an immediate examination of its affairs should be made, he shall have authority to immediately order an inspector or assistant inspector to enter upon an examination of the same, and if he deem it necessary, he may call upon the State examiner to furnish a deputy examiner to work with such inspector, and the two officers shall as far as practicable cooperate in the examination of such bank."

Sec. 9. Banks in bad condition—Examination and taking charge by commission—Winding up of affairs—Reorganization.

"Whenever the commission shall acquire information leading it to believe that any bank admitted under such fund is being irregularly or inefficiently, or dishonestly conducted, or is insolvent, as that term is defined by the banking laws, it shall be its duty to investigate the same as promptly as possible as in section 8 hereof provided; and at any time during the progress of such investigation if it appears that such bank is probably insolvent, such commissioner or inspector shall have authority to make an order requiring all deposits received during such examination to be set aside and held intact as 'special deposits,' which shall only be used to reimburse the depositor; and if at the close of such examination the commissioner or inspector shall find such bank to be insolvent within the meaning of the banking laws, he shall have authority to extend such order for such further period as shall be necessary to enable the commission to meet and take action with reference to the affairs of such bank; but such meeting and action must be taken within 30 days from the time of extending such order. Upon completing such examination, such commissioner or inspector shall immediately prepare a report of the result thereof, and submit the same to the commission and the State examiner.

"If from such report it shall appear to the commission that the bank is insolvent within the meaning of the banking laws, it shall have authority to immediately institute a proceeding in the district court of the county in which such bank is located (or in any other court that may be by any law then in force, given jurisdiction of such proceeding) to liquidate such bank as an insolvent corporation, and procure the appointment of a receiver to wind up its affairs, as provided for by article 3 of chapter 27 of the Code of Civil Procedure, and the general equitable jurisdiction of courts of equity to appoint receivers and wind up the affairs of insolvent corporations; or if by any law then in existence the exclusive right to institute such proceedings shall be vested in any particular officer or board, the commission shall certify the facts to such officer or board, as the case may be, who must thereupon institute such proceedings.

"In lieu of instituting such proceedings, the commission may, in its discretion, permit such bank, within a time to be prescribed by it, to comply with such conditions as the commission shall deem necessary to make it a solvent institution, but as a condition of granting such time, such bank must, by a resolution of its directors, endorsed on its minutes, consent to the continuing of the order aforesaid limiting the right to receive deposits, and to such continued supervision of its affairs as the commission shall prescribe. The granting of such time to said bank to remedy its condition shall not abridge or limit the right of the commission to institute such court proceedings, at any time it shall appear to its satisfaction that such bank is hopelessly insolvent, or unable to comply with the conditions prescribed.

"*Provided, however,* The pendency of any proceedings for the liquidat on of any such bank shall not be a bar to its reorganization or continuance as a banking institution, but at any time before the final disposition of such proceedings, such bank may make application to the guaranty fund commission for leave to reorganize or remedy its condition, and be readmitted under the guaranty fund, and the commission may thereupon prescribe the conditions as to assets, payment of liabilities, and the character and competency of the managing officers to be placed in charge of the affairs of such bank upon which it may be readmitted to said guaranty fund, which condition shall be submitted to the court having jurisdiction, and if it approves thereof, it may make an order to that effect, and thereupon and upon such bank complying with the said conditions to the satisfaction of the guaranty fund commission, it shall make an order readmitting the said bank, and the liquidation proceedings shall be thereupon discontinued on such terms as the court shall direct; but no deposits shall be received by such reorganized bank until final approval of the court is had, and the said proceedings actually dismissed. All expenses incident to such proceedings incurred by the commission shall be presented to and audited by the State auditing board and be paid out of the general funds of the State and there is hereby appropriated for the purpose of meeting such expenses the sum of $1,000 per year, or so much thereof as shall be necessary."

Sec. 10. Filing statements—Assessments.

"On June 30 of each year, every State bank engaged in the business of banking in this State shall make and file with the depositors' guaranty fund commission, a statement in writing, verified by the oath of its president, vice president or cashier, showing the average daily deposits in its bank for the preceding 12 months.

"Immediately after the date fixed for the making and filing of such statements, the depositors' guaranty fund commission shall levy assessments against the assets of each of said banks as follows:

"One-twentieth of 1 per cent on the average daily deposits as shown by the statement of such average daily deposits to be made and filed by the provisions of this section.

"For each and every year thereafter one-twentieth of 1 per cent of the average daily deposits as shown by the statement required to be made and filed under the provisions of this act in each year, until the total amount of money in the guaranty fund reaches 2 per cent of the average daily deposits: *Provided, however,* That said depositors' guaranty fund commission shall have power to make and levy additional assessments of one-twentieth of 1 per cent, but not to exceed four such additional assessments shall be made in any one year.

"Due and legal notice of such assessment or assessments shall be deemed to have been given when such

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notice as shall be prepared by the secretary of the commission has been placed in an envelope, securely sealed, and postage prepaid, directed to each of said banks and deposited, in the United States mail, and said banks shall thereupon set apart, keep and maintain in their said banks the amounts thus levied against them and the amounts shall be and constitute what shall be designated as the depositors' guaranty fund, payable to the depositors' guaranty fund commission on demand, for the uses, and purposes provided: *Provided*, That when the depositors' guaranty fund reaches the total sum of 2 per cent of the average daily deposits, said assessments shall cease until such time as the guaranty fund is depleted below 1½ per cent of the average daily deposits, when the necessary assessment may be again levied at one-twentieth of 1 per cent per annum until said fund again reaches 2 per cent of the average daily deposits.

"The guaranty as provided for in this act shall not apply to a bank's obligation as indorser upon bills rediscounted nor to bills payable, nor to money borrowed from its correspondents or others, nor deposits otherwise secured, nor deposits upon which compensation in any manner or form or by whatever device has been promised or paid in excess of the rate of interest as limited in this act. All other deposits for which money or its equivalent, and for which full value has been received by the bank wherein such deposit is made, shall be guaranteed by this act. Each guaranteed bank shall certify under oath to the depositors' guaranty fund commission at the date of statements as hereinbefore provided the amount of money it has on deposit not eligible to guaranty under the provisions of this act, and in assessing such bank this amount shall be deducted from the total deposits."

Sec. 11. Interest on deposits.

"No bank transacting a banking business under this act shall pay interest on deposits, directly or indirectly, at a greater rate than 4 per cent per annum, unless authorized by the depositors' guaranty fund commission to pay a greater rate which in no case shall exceed 6 per cent per annum, and said depositors' guaranty fund commission is hereby authorized and empowered to grant permission to pay such higher rate: *Provided*, That the rate so granted shall be uniform within any county.

"Any officer, director, or employee of any bank violating the provisions of this section, directly or indirectly, shall be deemed guilty of a felony and on conviction thereof shall be punished by a fine of not less than $100 nor more than $500 or by imprisonment in the State penitentiary for a term of not less than one year nor more than three years, or both, in the discretion of the court."

Sec. 12. False statements, penalty.

The act provides that any person making oath to statements required by the act, knowing the same to be false, shall be guilty of a felony.

Sec. 13. Voluntary liquidation or change to a national bank.

This section provides that any bank liquidating or converting to a national bank shall not be relieved from the payment of any assessments then due from it to the depositors' guaranty fund nor from any liability to the bank due on account of losses in banks which are closed at the time.

Sec. 14. New banks and reorganized national banks.

"Any bank organized under the State law subsequent to the taking effect of this act, and admitted by the commission to participation under the depositors' guaranty fund, shall pay into such fund an amount equal to 3 per cent of its capital stock, which amount shall constitute a credit fund subject to adjustment on the basis of said bank's average daily deposits as shown by the first annual statement required by section 10 of this article. And any national bank that has reorganized as a State bank shall likewise, before engaging in business, set apart and credit to the depositors' guaranty fund such an amount as will place them on an equal footing as respects such fund, with other State banks.

"Immediately after being passed upon favorably by the depositors' guaranty fund commission, the secretary shall notify such new banks and the State examiner of such admission, which notification shall be in writing, in the form of a certificate, signed by the chairman and attested by the secretary of the commission. Such certificates shall be by the bank receiving the same framed and kept at all times displayed in a conspicuous place in the lobby of the bank.

"The depositors' guaranty fund commission is authorized and empowered to make an adjustment of the rates of assessment to be paid by any bank which engages in the banking business subsequent to the passage, approval, and taking effect of this act, which shall have been admitted hereunder and shall require such bank to contribute to the depositors' guaranty fund a just and equitable sum, and for that purpose shall adjust assessments of such bank so that the first two assessments, together with the credit fund of 3 per cent of the capital stock paid by said bank when it begins business, shall at least equal one-half of 1 per cent of the average daily deposits of said bank as shown by the first annual statement required by section 10 of this article: *Provided, however*, That said 3 per cent will not be required of the new banks formed by the reorganization or consolidation of banks that have previously complied with the terms of this act with reference to the payment of assessments."

Sec. 15. Assessment—Failure to credit.

"Whenever any bank, after due notice from the secretary of the depositors' guaranty fund commission, shall fail to pay over or credit on its books to the depositors' guaranty fund any assessment as herein provided, for a period of 20 days, such bank shall be subject to a penalty of $10 per day for each day it so refuses or fails to pay over or credit to such depositors' guaranty fund such assessment and penalty, and at the expiration of 30 days from the date of notice of assessment herein provided, if said assessment and penalty still remains unpaid, the bank so delinquent may be deemed insolvent, and in the discretion of the commission may be liquidated and its business wound up as provided for by the State banking laws for the liquidating of insolvent banks."

Sec. 16. Depositors' guaranty fund — First lien — Exception.

"Whenever any bank doing business in this State under the provisions of this act shall suspend payment or become insolvent, the amount of money standing to the credit of the depositors' guaranty fund on deposit in such bank shall be a first lien upon the assets of such institution; save and except funds deposited in such institution and belonging to the estate of any insolvent

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Sec. 33. Examination of closed banks and receivership.

"The depositors' guaranty fund commission shall have the right and authority to examine, by any member or inspector, the affairs of closed banks and investigate the conduct of the receivership thereof and make report thereon to the commission."

Sec. 34. Payment of expenses of commission.

"There is hereby appropriated out of the depositors' guaranty fund $20,000 per year, or so much thereof as shall be necessary to meet the expenses of the guaranty fund commission herein provided for, and any amount of such appropriation not so used, shall be at the end of each year, covered into the said depositors' guaranty fund.

"The expenses of the guaranty fund commission herein provided for shall be presented to the State auditing board for allowance, as claims against the State are presented, and when allowed, shall be paid as other claims against the State are paid."

Sec. 38. Temporary powers of commission.

"The depositors' guaranty fund commission shall have the power and authority to employ any of the funds under its control for the purpose of paying off the claims of bills payable holders in closed banks whenever in its judgment and sound discretion the security behind such bills payable is sufficient to pay the same in full, and leave a substantial amount of security of the kind and character that could reasonably be expected to be collected upon and liquidated within one year from the expiration of the time limit of this section.

"The commission is empowered to deposit funds in banks operating under this act, temporarily in aid of open banks, in such amounts, and upon such terms and conditions, and upon such security as it may determine and designate. And such banks shall be required to conduct their affairs in accordance with and under the direction of the commission until such temporary aid has been withdrawn. It shall require the consent of four members of the commission before funds can be employed as provided for in this section.

"This section of this act shall continue in force and effect until July 1, 1927, unless sooner repealed, but at that time it shall expire and cease to be operative without any repeal and the powers and authorities conferred therein shall terminate without in any way limiting any other provisions of the act."

Sec. 39. Forbidding certain advertising.

"Any officer, director, stockholder, agent or employee, of a bank whose deposits are guaranteed under the provisions of this act, who shall state or represent in any advertisement, pamphlet, book, sign, or other manner, in writing or printing, that the deposits of such bank are guaranteed by the State of North Dakota shall be deemed guilty of a misdemeanor and on conviction thereof shall be punished by a fine of not less than $100 nor more than $500."

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bank, deposited therein by the receiver or other person officially in charge, which shall have preference over all other claims."

Sec. 17. Deposits—Payment—Approval or rejection of liability—Issuance of certificates of indebtedness.

"When any bank doing business under the provisions of this act suspends or becomes insolvent and shall have closed, the commission shall, without unreasonable delay, cause each deposit in such closed bank to be examined, audited and shall determine such as may be qualified for guarantee under this act and certify the acceptance or rejection of each deposit to the secretary of the commission, who shall give notice, by registered mail, to the persons whose deposits have been rejected, at their last known post office address, or to each thereof, in care of the receiver of such closed bank. The action of the commission in certifying acceptance or rejection as herein provided shall be final unless, within ninety days from date of mailing notices of rejection, written demand for hearing is served upon the secretary of the commission."

Secs. 18, 19, 20. Filing and hearing of claims.

The act provides for the filing and hearing of claims of guaranteed depositors by the commission.

Sec. 21. Issuance of certificates of indebtedness by the commission.

"The secretary of the commission shall issue a certificate of indebtedness upon the treasurer to the person entitled thereto for the amount of all such accepted deposits.

"If there be not sufficient funds available in the fund to pay such certificate of indebtedness, the treasurer shall indorse the same 'presented for payment' and date and sign such indorsement, and such certificate shall thereafter be payable out of money in the guaranty fund, by order of the commission, pro rata, upon all outstanding certificates of indebtedness. Notice of the amount of each dividend to be paid upon such certificate, and the date when such payment is to be made, shall be published in a newspaper in the place where the closed bank was located. If no newspaper is published at the place where such closed bank was located, then such notice shall be published in an official newspaper of the county wherein such bank was located. Notice shall be published in like manner of the date upon which payment of any balance due on such certificate of indebtedness will be made."

Sec. 22. Subrogation.

"To the extent of the deposits accepted and allowed as guaranteed, the depositors' guaranty fund commission, for the use and benefit of said fund, shall be subrogated to all the rights of such guaranteed depositors thus accepted, to participate in the assets of such closed bank, and the same shall be enforced and collected by the secretary of the commission accordingly; and from time to time as collected shall be distributed pro rata as payment upon the certificates of indebtedness issued to the guaranteed depositors of the closed bank from which such payment had been received, until full payment is made to the holder of such certificate. Any surplus remaining after payment in full to holders of such certificates shall be turned into the depositors' guaranty fund and be thereafter held and distributed as herein otherwise provided.

"All moneys received shall be deposited in the solvent banks subject to the provisions of the depositors' guaranty fund, proportionate as to the several deposits to the assessment levied against each of said banks."

Secs. 23, 24, 25, 26, 27.

These sections provide for the reports by receivers of insolvent banks, notices not otherwise provided for, forms, penalties where not otherwise provided for, and provides that nothing in the act repealing former acts shall release anyone from punishment for acts heretofore committed.

Sec. 28. Federal guaranty law.

National banks are authorized to participate in the guaranty fund when they are permitted to do so by the Federal authorities, and if such national banks are required to contribute to a Federal guaranty fund they may withdraw from the North Dakota guaranty fund and have returned to them all of the unused portion of all assessments paid by them into such guaranty fund.

Sec. 29. Unappropriated assessments refunded—when.

"If any bank organized under the laws of this State, having paid any assessment or assessments to the depositors' guaranty fund shall liquidate and go out of business, or shall desire to organize as a national bank and withdraw from the protection of the depositors' guaranty fund for its depositors the portion of such assessment or assessments, which shall not have been used under the provisions of this act shall be refunded to any bank by the depositors' guaranty fund commission: *Provided*, That no such bank shall be released from its proper proportion of all outstanding certificates of indebtedness of the depositors' guaranty fund, issued to the depositors of failed banks under the provisions of this act, nor until it shall have received permission in writing so to do from the depositors' guaranty fund commission of this State and after an examination of its condition."

Sec. 30. May resume business.

"Such bank or trust company may upon repayment of any money advanced by the depositors' guaranty fund to such bank or trust company, with the consent of the depositors' guaranty fund commission, resume business upon such conditions as may be approved by said commission."

Sec. 31. Defining banks and banking for the purpose of this act.

"For the purpose of this act every corporation, except national banks whose business, in whole or in part, consists of the taking of deposits or buying and selling exchange shall be held to be and is hereby declared to be a bank, and as thus defined shall be subject to the provisions of this act: *Provided further*, That trust companies doing a general banking business as defined in this section separate and apart from the writing of surety bonds and other general business, and building and loan associations receiving savings deposits, shall be declared to be a bank and shall also be subject to the provisions of this act."

Sec. 32. Organizing.

"Any banks organized and authorized to do business under the provisions of the State banking laws on and after the passage, approval and taking effect of this act shall sell the capital stock thereof at $3 per share above par and the amount received as a result of such advance shall be credited on the books of such bank to the depositors' guaranty fund as hereinbefore provided."

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From Federal Reserve Board files

MEMORANDUM: MR. Van Fossen April 29, 1926

Subject: Operation of State Deposit Guaranty Laws

NORTH DAKOTA: Date of approval of law- March 10, 1917.

In the eight years from 1917 to 1924 participating banks had paid assessments totaling $1,274,000. In 1925 the amount in the fund was $915,505, and the amount of outstanding certificates was approximately $2,000,000. Recoveries realized on the assets of closed banks amounted to about $200,000 and approximately $35,000,000 of assets still in the hands of receivers are estimated to be worth not more than 40 per cent of their nominal value. On Dec. 31, 1925, $320,497.95 of "Guaranty fund deposits" were on deposit with state banks and trust companies. It was estimated in 1925 that it would probably be anywhere from 30 to 50 years before all claims which will ultimately be admitted are paid off under the present arrangement.

MEMORANDUM: Mr. Van Fossen Jan. 31, 1927

Subject: Supplement to memorandum of April 29, 1926, on operation of State deposit guaranty laws.

NORTH DAKOTA: Mr. C. R. Green, Manager of the Bank of North Dakota is quite frank in expressing the belief that the guaranty fund law in North Dakota has failed miserably. It has some $30,000,000 in liabilities piled up against it and a prospect that it will not fight clear for years even if the burden gets no greater. He proposes an amendment to create a special investment fund for savings accounts of $1,000 or less with a guaranty protection fund similar to that now in use. The next step would be to limit the use which banks could make of funds so deposited. (See Commercial West, September 25, 1926).

From:

"The Financial Age" - Dec. 22, 1928
Vol. LVIII - No. 27 - page 686 Jan. 5, 1929

Subject: The Guaranty Fund Law in North Dakota

The Guaranty Fund law is still on the statute books of N. D. and depositors in failed banks in that State have been reimbursed to the extent of only about 10 per cent of their deposits by the Fund.

As the law was passed by a former legislature and was opposed by the bankers as an unscientific measure, which assumption is now proved true, from the fact that at the present rate of assessment it will take nearly a century to pay the debts of the failed banks if no other member of the Fund fails in that time, it was thought that possibly the people would consider the debt more or less one of honor and vote a bond issue not to exceed $25,000,000 to pay those who had been induced to place their deposits in the banks because they were guaranteed by the Fund.

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On this theory a constitutional amendment providing for a bond issue for the purpose was submitted to the voters of the State at a recent election in November and was overwhelmingly defeated by a vote of 218,197 to 24,787, every one of the 53 counties in the State returning a majority against it.

(The law was repealed in April 1929 -- Northwestern Banker, April 1929, Page 91.)

MEMORANDUM: Mr. Foster. October 2, 1929.

Subject: Present Status of the Guaranty Fund Law.

States in which Guaranty Law has been recently repealed.

NORTH DAKOTA - The law was repealed by an overwhelming majority in both houses of the State Legislature in April, 1929. At the end of 1928 an attempt was made to liquidate the debts of failed banks by means of floating a bond issue supported by a constitutional amendment. Voters of the State at the last November election defeated the amendment by a vote of 218,197 to 24,787, and every one of the 53 counties returned a majority against it.

In July, 1917, when the law became effective, there were 695 State banks and trust companies; from that date to June 1929, 322 banks had been closed, 47 consolidated or liquidated without loss, and the remaining institutions subject to the law stood at 326. Final repeal, then, came about as the result of the considerable amount of public sentiment in favor of the abolishment of this obnoixious law and the concentrated pressure brought to bear upon the 1929 Legislative session by State bankers.

MEMORANDUM: Mr. Foster. Apr. 1, 1930.

Subject: Review of the Guaranty Law System in 8 States.

NORTH DAKOTA: North Dakota ratified the compulsory guaranty law in 1917. Until the depression of 1920 and 1921 no serious problems were encountered. Between November 15, 1920 and December 31, 1928, 322 state banks closed their doors. The assessments on the 377 participating banks since 1917 had brought in $1,957,679, which was enough to pay only 10 per cent on the claims of depositors in 201 of the 322 closed banks. At the time of repeal, April, 1929, there was a net deficit of $14,000,000.

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VI. Correspondence

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October 28, 1965

Hon. Eugene Rich
State Examiner
State Capitol, Room 1301
Bismarck, North Dakota 58501

Dear Mr. Rich:

In September 1956 I spent two weeks in Bismarck, mostly at the Office of the State Examiner, collecting information about the operations of the Depositor's Guaranty Fund under the law enacted in 1917. It was then contemplated that the results of our study of this Fund, along with studies of deposit guaranty systems in other States, would be published in book form. This has not been done.

Enclosed is a copy of my report on Deposit Guaranty in North Dakota, which was completed in January 1959. This report is in its final form, except for editorial and minor revisions if publication of the group of studies should be undertaken at a later time.

In connection with the study of the North Dakota fund, I borrowed a copy of each of four audit reports of the fund (1918-24, 1924-26, 1926-28, and 1928-30), with the understanding that they would be returned to your office. These were duplicate copies, and if you still wish them returned, I will send them to you. However, we are now putting together a reference file of the materials collected regarding the various State deposit guaranty systems, so that they will be available in the future to persons who may be interested in the history of insurance of bank obligations prior to establishment of the Federal Deposit Insurance Corporation. If it is agreeable with your office, we would be glad to include these audit reports in this file.

Cordially yours,

Clark Warburton, Chief
Banking and Business Section
Division of Research and Statistics

Note. No reply has been received to date, and the audit reports have been placed at the back of this binder.

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CHANGE IN STATE BANKING AUTHORITY - Feb 17 1956

NORTH DAKOTA

From - John A. Graham
State Examiner
Bismarck, North Dakota

To - George H. Russ, Jr.
State Examiner
Bismarck, North Dakota

Vance L. Sailor
Chief, Division of Examination

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CW:
JK

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August 22, 1956

Mr. G. H. Russ, Jr.
State Examiner
State of North Dakota
Bismarck, North Dakota

Dear Mr. Russ:

Reference is made to our previous correspondence regarding a possible trip to Bismarck by a member of our staff. Dr. Clark Warburton, who has been in charge of our studies of the State systems of deposit guaranty, plans to be in Bismarck on approximately September 5 and will communicate with you on his arrival.

Any assistance you may be able to render to Dr. Warburton in his effort to locate as much data as possible on the North Dakota guaranty system will be appreciated.

Very truly yours,

Edison H. Cramer, Chief
Division of Research and Statistics

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July 9, 1956

Mr. G. H. Russ, Jr.
State Examiner
State of North Dakota
Bismarck, North Dakota

Dear Mr. Russ:

Thank you very much for your letter of June 21. Our plan to send someone to the Dakotas to obtain more information about deposit guaranty in the Dakotas is not yet in final shape. However, we anticipate that a member of our staff will be in Bismarck early in September to see what material can be obtained from the records in your office and from the report by Mr. Baird to the Supreme Court which the clerk of that court has offered to make available to us.

We appreciate greatly your cooperation in locating as much as possible of the records of the Depositors Guaranty Fund Commission, and will communicate with you later when our plans for the trip have been completed.

Very truly yours,

Edison H. Cramer, Chief
Division of Research and Statistics

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Pls. ref. to Dr. Warburton

G. H. RUSS, JR.
J. A. GRAHAM
STATE EXAMINER
J. B. RHUD
CHIEF DEPUTY EXAMINER

OFFICE OF STATE EXAMINER

STATE OF NORTH DAKOTA

BISMARCK

June 21, 1956

Mr. Edison H. Cramer, Chief
Division of Research and Statistics
Federal Deposit Insurance Corporation
Washington 25, D.C.

Dear Mr. Cramer:

Replying to your inquiry of June 19, 1956, re the North Dakota Depositors' Guaranty Fund, it will take some little time to run down the various leads which we have discovered concerning this now long defunct operation.

It was first operated by a commission, but after becoming hopelessly insolvent was dissolved by the Legislature according to the provisions of Chapter 122, 1929 Session Laws.

The Session Laws of 1931, Chapter 135, turned over whatever was left of the relics to the State Examiner as custodian. I believe there is approximately $300.00 left in the Fund, which has never been distributed to the creditors of the some five or six hundred banks which failed during the life of the Commission.

To add to the confusion, the North Dakota State Capitol was burned to the ground on December 28, 1930, and practically all of the closed banks records which were stored in the Capitol were destroyed.

We will continue our search in the archives and if anything is found besides correspondence which we have in this office since 1935, I will communicate with you.

Unless something worthwhile can be discovered it would not pay to have anyone from your office attempt to compile statistics, but we will keep you informed in the matter.

Sincerely yours,

G. H. Russ Jr.

State Examiner

GHR:i

Buy "Dakota Maid" Flour

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June 19, 1956

Colonel George H. Russ, Jr.
State Examiner
Bismarck, North Dakota

Dear Colonel Russ:

Soon after the beginning of Federal deposit insurance, we began to collect information on the experience of various States with deposit guaranty. Our studies of these State systems were not brought to completion at that time. They have recently been resumed, and we are now preparing reports on each of them which we plan to complete for publication.

We have found comparatively little published information about the operations and financial results of the North Dakota depositors' guaranty fund. We would now like to make two inquiries about the possibility of obtaining additional information.

First, do you know of any studies of the North Dakota depositors' guaranty system that have been made since 1935, such as reports for officials of the State or for the Legislature, or studies by university professors or graduate students?

Second, would records of the Depositors' Guaranty Fund Commission, which we presume may now be in archives or storage, be available for the use of a member of our staff who might come to Bismarck to use them? We would like very much to obtain sufficient information to enable us to prepare a tabulation, by years, of the receipts and disbursements of the guaranty fund, and also a tabulation of the failed banks by year of failure showing such items as their total deposits, the claims allowed for guarantee, payments from the guaranty fund, and recoveries from liquidation of the assets.

Very truly yours,

Edison H. Cramer, Chief
Division of Research and Statistics

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CW:
JK

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August 22, 1956

Mr. J. H. Newton
Clerk of the Supreme Court
State of North Dakota
Bismarck, North Dakota

Dear Mr. Newton:

Reference is made to our previous correspondence regarding a possible trip to Bismarck by a member of our staff. Dr. Clark Warburton, who has been in charge of our studies of the State systems of deposit guaranty, plans to be in Bismarck on approximately September 5 and will communicate with you and Mr. Russ, State Examiner, on his arrival.

Any assistance you may be able to render to Dr. Warburton in his effort to locate as much data as possible on the North Dakota guaranty system will be appreciated.

Very truly yours,

Edison H. Cramer, Chief
Division of Research and Statistics

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July 9, 1956

Mr. J. H. Newton
Clerk of the Supreme Court
State of North Dakota
Bismarck, North Dakota

Dear Mr. Newton:

Thank you very much for your letter of June 29. Our plan for sending someone to the Dakotas to obtain more information about deposit guaranty in those States is not yet finalized. However, we anticipate that a member of our staff will be in Bismarck early in September.

We appreciate greatly your cooperation in making Mr. Baird's report and other materials available, and will communicate with you later when our plans for the trip have been completed.

Very truly yours,

Edison H. Cramer, Chief
Division of Research and Statistics

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G. H. RUSS, JR.
J. A. GRAHAM
STATE EXAMINER
J. B. RHUD
CHIEF DEPUTY EXAMINER

OFFICE OF STATE EXAMINER

STATE OF NORTH DAKOTA

BISMARCK

July 9, 1956

Mr. Edison H. Cramer, Chief
Division of Research & Statistics
Federal Deposit Insurance Corporation
Washington 25, D.C.

Dear Mr. Cramer:

Referring to your enquiry of June 19, 1956, and continuing our reply of June 21, 1956, re the North Dakota Depositors Guaranty Fund.

We have found a number of large volumes and also smaller record ledgers of the operations of the North Dakota Depositors Guaranty Fund, stored in the Capitol basement vault.

We also have files of correspondence pertaining to the Fund.

The Bureau of Business and Economic Research of the University of North Dakota at Grand Forks informs us that one chapter of a thesis by Dr. W.E. Koenker, of that Department, entitled "Banking Trends in North Dakota 1922-1947", was devoted to the Depositors Guaranty Fund. This work is now in the Library of Ohio State University, Columbus, Ohio. We presume it could be borrowed, but doubt its value in your study.

We have been unable to trace any other studies, and it would seem that the people of North Dakota were only too glad to forget the whole thing.

Our "Closed Banks" Department's records might also assist a member of your staff, and we will be glad to provide facilities if you decide to send a representative to Bismarck.

Unfortunately this Department does not have the personnel to assist in your study beyond the presentation of whatever records now in our possession which would be of assistance.

Sincerely yours,

GHR:i

State Examiner

Air Mail

Buy "Dakota Maid" Flour

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Pls. ret. to Dr. Washington

CLERK'S OFFICE
J. H. NEWTON, CLERK

State of North Dakota
SUPREME COURT
BISMARCK

June 29, 1956

Mr. Edison H. Cramer, Chief
Division of Research and Statistics
Federal Deposit Insurance Corporation
Washington 25, D. C.

Dear Mr. Cramer:

I am today in receipt of your letter of June 25 dealing with the question of records of insolvent banks formerly in charge of the late L. R. Baird. All records in this connection were turned over to the State Examiner who continues to handle certain administrative details in connection with insolvent banks. After receiving your letter I called Mr. George H. Russ, Jr., the present Examiner, and he informs me that he has had some correspondence with you relative to the available records and is making an effort to locate as many as he can.

You may be interested in knowing that I have in my possession a report prepared by Mr. Baird in 1937, in which he makes a complete report to the Supreme Court on all banks coming under his supervision. I apprehend that this would be very valuable to whoever you send out to North Dakota to make an investigation and I shall be glad to make the same available. Outside of this report and copies of various petitions for administration and minute orders of the Court referring the same to the District Court of Burleigh County I do not have any other records.

Regretting I can not be of any greater service to you, I remain

Very truly yours,

J. H. Newton

J. H. NEWTON
Clerk

JHN:D

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CW:jk Stat

June 25, 1956

Clerk of the Supreme Court
State of North Dakota
Bismarck, North Dakota

Dear Sir:

Soon after the beginning of Federal deposit insurance, we began to collect information on the experience of various States with deposit guaranty. Our studies of these State systems were not brought to completion at that time. They have recently been resumed, and we are now preparing reports on each of them which we plan to complete for publication.

In North Dakota most of the banks which failed while the depositors' guaranty fund was in operation were liquidated under the direction of a receiver appointed in accordance with the law of 1927 which gave original jurisdiction of bank insolvency proceedings to the Supreme Court of the State. In 1935 we had some correspondence with Mr. L. R. Baird, the receiver, who remained in charge of completion of liquidation of those banks after the change in law in 1933 which vested appointment of receivers for future bank failures in the State Banking Board.

In resuming our study of the North Dakota deposit guaranty fund we would like to have more detailed information regarding the liquidation of the failed banks that participated in the guaranty system than we obtained through corresponding with Mr. Baird. Therefore, we would like to ask whether the records left by Mr. Baird when the receivership proceedings under his jurisdiction were completed would be available to a member of our staff who might come to Bismarck to use them. We would like very much to obtain sufficient information to enable us to prepare a tabulation of the failed banks by year of failure showing such items as their total deposits, the claims allowed for guaranty, other claims, payments from the guaranty fund, and other payments to creditors by the receiver.

We presume the receivership records from Mr. Baird's office are now in archives or storage. We would appreciate it very much if you could inform us whether these files and records would be available for our use in obtaining data for such tabulations.

Very truly yours,

Edison H. Cramer, Chief
Division of Research and Statistics

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September 21, 1955

Mr. Edison H. Cramer
Drake Hotel
Lake Shore Drive and Upper Michigan Ave.
Chicago 11, Ill.

Dear Ed:

I've been wondering whether you might have a chance to talk with Mr. Graham, the North Dakota State Examiner, about the material we would like to obtain regarding the deposit guaranty system of that State. We have not yet received a reply to our letter of September 1 (copy enclosed).

Very truly yours,

Clark Warburton

Enclosure

CW:jk

Note by Cramer
Graham is ill and no one else represented his department

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HT:evp STAT

August 12, 1955

Mr. Zorah Pender, Secretary
Northwestern Banker
306 15th Street
Des Moines 9, Iowa

Dear Mr. Pender:

This Division is making a study of the history of deposit guaranty in Nebraska, North Dakota, and South Dakota and we would like to inspect as much published material as possible pertaining to the experience of these States. The period which is of particular interest to us is from 1905 through 1929.

Was the Northwestern Banker being published during this time, and if so could you tell us where a file might be available?

Very truly yours,

Edison H. Cramer, Chief
Division of Research and Statistics

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October 18, 1939

Mr. John Graham,
State Examiner,
Bismarck, North Dakota.

Dear Mr. Graham:

Five years ago this Division collected some material relating to guaranty of bank deposits in the various States, prior to the creation of the Federal Deposit Insurance Corporation. It was impossible to complete our study at that time and we are now attempting to obtain further information regarding the various State funds.

Your office and Mr. L. R. Baird, Receiver, supplied us with considerable information regarding the operation of the guaranty fund in North Dakota. However, we would like to obtain the information described below which we do not have. We understand that considerable work will probably be necessary in compiling this information from the records of the Depositors' Guaranty Fund Commission and of the Receiver. We shall be glad to supply clerical or stenographic assistance or to reimburse you for expenses incurred in compiling the material for us.

1. A statement of the annual receipts and disbursements of the fund showing the amounts received from various sources (assessments, liquidation of assets, interest, etc.) and of disbursements for various purposes (payments on depositors' claims, expenses, etc.).

2. A table giving the following information for each guaranteed bank which failed:

a. Total deposits at date of failure;
b. Depositors' claims approved by the Depositors' Guaranty Fund Commission;
c. Dividends paid on claims approved by Commission
   i from the proceeds of liquidation of the bank
   ii from the guaranty fund
d. Claims approved by the Commission which have not been paid;
e. Payments by the bank on liabilities included in "total ~~payments~~ deposits" but not approved by the Commission;
f. Amount of non-guaranteed "deposits" remaining unpaid.

Very truly yours,

Donald S. Thompson, Chief,
Division of Research and Statistics.

Added question: Did any private banks ever belong to the guaranty fund, & participate in the bond security plan? I probably not, but we do not have information

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THE FIRST NATIONAL BANK OF SAINT PAUL

Capital and Surplus $10,000,000

February 14, 1934.

Mr. Gilbert Semingson,
State Examiner,
Banking Department,
Bismarck, North Dakota.

Dear Mr. Semingson:

We are undertaking a very thorough study and analysis of the Guaranty of Deposits section of the Banking Act of 1933. Now that the temporary plan is well under way, it does seem that it is meeting with the approval of not only the public but conservative bankers as well. It seems that those who oppose the guaranty most strenuously frequently refer to the unsatisfactory experience in several states where it has been tried. Sponsors seem to be able to show, however, that simply because it failed in a number of individual states this does not prove at all that it will not work on a national basis.

Inasmuch as the State of North Dakota was among those where it was tried, you naturally have first-hand information and undoubtedly some very concrete ideas as to what the possibilities are.

We are enclosing a stamped, addressed envelope and sincerely hope you will find it convenient to let us have the benefit of your opinion.

Very truly yours,

(s) T. D. Maier

Chairman Educational Committee.

TDM h

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THE BANK OF NORTH DAKOTA

Operated by
State of
North Dakota

Manager and Director
General - R.M. Stangler

Industrial Com ission

Thomas H. Moodie,
Governor, Chiarman
P. O. Sathre,
Attorney General
Theo. Martell, Commissioner
of Agriculture and Labor
O. Leonard, Orwedal,
Secretary.

Bismarck, North Dakota

January 25, 1935

Mr. Mortimer J. Fox, Jr.
Chief Statistician
Federal Deposit Insurance Corporation
Washington, D. C.

Dear Mr. Fox:

I am certainly sorry I neglected answering your letter of recent date but I have been terribly rushed with work.

I am enclosing letter received from Mr. R. S. See which, I believe, answers your questions under date of December 19. We are terribly rushed here in the Bank. I am also enclosing Bank statement.

I certainly was pleased to hear from you and if I have occasion to come to Washington, I certainly will be pleased to call on you at least for a few minutes.

Thank you, I am

Very truly yours,

(s) R. M. Stangler

R. M. Stangler
MANAGER

RMS'h

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Office of State Examiner
State of North Dakota
Bismarck

Adam A. Lefor
State Examiner
R. S. See
Deputy Examiner

January 3, 1935.

Mr. Theo. W. Sette, Auditor,
The Bank of North Dakota,
Bismarck, North Dakota.

Dear Mr. Sette:

Replying to your letter of December 31, we wish to furnish the following information in regard to the Guaranty Fund of this State:

Receipts:	
Assessments of banks	$ 1,938,410.35
Liquidation of suspended banks by Fund	18,133.36 #
Earnings and othe receipts	63,021.70
Disbursements:	
Payment of depositor's claims	$1,839,078.35
Interest on borrowings	None
Expense of operation	167,241.06 *
Unexpended balance	13,246.00

The general liquidation of closed banks has been handled by Mr. L. R. Baird, Receiver, and information as to what has been collected by him through such liquidation is not available in this office, norhave we any record as to dividends paid by him. The item of $18,133.36 included in the above statement represents the amount which was collected on the assets of the two banks in connection with which claims were paid in full by the Fund.

* In addition to the expenditures from the Guaranty Fund, there has been appropriated and expended from the State general fund for administration expense the sum of $156,222.77.

The above figures are furnished as of January 1st, 1935. We trust that they will furnish the information desired by the Federal Deposit Insurance Corporation.

Yours very truly,

(s) R. S. See

Deputy Examiner.

FCL.

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L. R. BAIRD, Receiver
Bismarck, North Dakota

January 29, 1935

Mr. Mortimer J. Fox, Jr., Chief Statistician
Federal Deposit Insurance Corporation
Washington, D. C.

My dear Mr. Fox:

I don't see how I can give you an intelligent answer to inquiries indicated as "First" and "Second" in your letter of January 24th. Probably you have made a study of our Guaranty Fund Law and find some reference to the liquidation of banks by the Depositors Guaranty Fund Commission. This, however, was never undertaken. The way in which the Guaranty Fund operated was about as follows:

A receiver was appointed for the banks. He accepted claims, and after the same were duly checked over, they were either allowed or disallowed. Of course, any claim as shown by the books of the bank as a liability was ordinarily allowed and a receiver's certificate issued therefor. When the receiver's certificates were issued, then these were used as the basis of a claim against the Depositors Guaranty Fund, and the Commission made it a general rule not to consider any claim until the same had been passed upon by the receiver. The receiver, however, did not undertake to pass upon the question of whether or not such claims were bona fide deposits coming under the provision of the Guaranty Fund law. He simply accepted them as liabilities against the bank. The Depositors Guaranty Fund Commission, through its auditors, then went through the books of the bank and determined whether or not each claim was a bona fide deposit or whether it was in the nature of an exchange of credit, secured deposit, bills payable, or some other liability.

This procedure of the Depositors Guaranty Fund accounts for the difference between the total amount of so-called deposits and the amount approved for payment by the Fund.

By way of explanation I might inject right here that a large portion of the rejected claims are accounted for by a practice which seemed to have grown up in this country. Where insurance companies, or other concerns who had something to sell in the community, would take its customer's notes, and then take them to the bank and turn them over to the bank and receive in lieu thereof the bank's certificates of deposits. Such transactions the Depositors Guaranty Fund listed as an "exchange of credit." Personally it is my opinion that if a claimant could have shown that the bank had its legal reserve, there was absolutely no reason why the bank could not have purchased such notes, or other obligations, and either paid

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up the same in cash or issued certificates of deposit, thus making the claim a bona fide deposit. However, under the law the Depositors Guaranty Fund was practically final as to the status of claims, and the result was as indicated above.

The value of the assets, referred to in your letter under paragraph three, was an estimate which I believe I prepared many years ago for the Depositors Guaranty Fund. It is our practice as soon as we have taken over a closed bank to make a very careful survey and appraisal of the assets. This enables us to determine the value of the claims against the bank, and right here I might say that our value is usually a conservative one from the standpoint of the bank. Having fixed a value upon the claims by determining the value of the assets, we then are in a position to accept claims against the bank in payment of obligations, real estate or other assets which we are trying to liquidate at a certain percentage of the face of the claims. We then accept such claims in payment of obligations, real estate or anything else, for what we consider them to be reasonably worth. An exchange of claims on this basis for assets, of course, will have the result of liquidating a large portion of both the assets and liabilities of the bank, but is not in a true sense of the word covered under the heading of "offsets", hence the reason why I am not able to answer your inquiry under paragraph listed as "First".

With reference to your paragraph listed as "Third," as I stated above the recoverable value of the assets at the time the Guaranty Fund Law became inoperative was compiled by myself but has worked out about as follows:

> We have paid in general dividends to creditors on banks which properly came under the Guaranty Fund Law the sum of $4,291,594.32 in general dividends.
>
> We made a recent appraisal of the remaining assets and have determined their recoverable value to be $1,807,403.23.

You will note that the recoverable value of the assets was, therefore, about $6,000,000.00 in place of $5,000,000.00, the larger amount given under the recoverable value and referred to by yourself. However, the apparent discrepancy between $5,000,000.00 and $6,000,000.00 can probably be accounted for in this manner: At the time we made our estimate and reported the same to the Guaranty Fund Commission, which has been reported to you, we had paid dividends of approximately $1,000,000.00. Consequently our appraisal was probably about correct.

You understand, of course, that during the time the Guaranty Fund was in operation the Receiver continued to pay dividends just as though no Guaranty Fund was in operation. The only difference between our operations at that time and now was that when we paid a dividend, dividends going to creditors who had been accepted under the Guaranty

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Fund Law were paid to the Commission, and in turn by the Commission disbursed to the individual claimants.

I don't know whether I have made myself entirely clear or not, but if not, I wish you would feel perfectly free to write and ask any questions you may desire.

Yours very truly,

(s) L. R. Baird

L. R. Baird, Receiver

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L. R. BAIRD, Receiver
Bismarck, North Dakota

January 17, 1935

Mr. Mortimer J. Fox, Jr.,
Chief Statistician,
Federal Deposit Insurance Corporation,
Washington, D. C.

Dear Sir:-

We do not keep our records so that it is possible to furnish much of the exact information which is being asked for, for statistical purposes, and therefore this reply to your favor of January 7th, I fear will not be as comprehensive and correct as you would like to have it. The information, of course, could be compiled, but it would require an enormous amount of labor and expense, and we do not feel warranted in incurring such expense. However, I am going to give you the information as nearly correct as I can, with some explanations.

Your first question is as to the amount of deposits in banks which failed during the time the Guaranty Fund was in force.

This information has been furnished you by the State Examiner, under date of January 3, 1935. His records are more complete on this information than ours are, and therefore I shall not attempt to modify the figures which he has given you, as I feel sure they are quite correct.

Your next question is - what dividends were paid to depositors through the liquidation of assets of closed banks.

I take it that this question means, during the time in which the Guaranty Fund Law was in force, and as to such banks which closed subject to the law. Many claims against banks are eliminated through off-sets, compromise settlements, etc., and as to such claims, of course they will not participate in dividends. On banks which closed during the time the Guaranty Fund Law was in operation we have thus far paid, in cash dividends, the sum of $5,670,541.90. There are still 199 banks on which the final dividend has not been paid.

Since the Guaranty Fund Law became inoperative, which was on July 1, 1929, the banks which have closed had general claims, which included some claims other than deposits, in the sum of $11,862,786.00, and on these banks we have paid, in actual cash dividends up to January 1, 1935, the sum of $1,305.881.29. Most of these banks are still in the process of liquidation.

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It is impossible to give you an accurate estimate of the actual amount of cash that was collected on statutory stockholders liability. In nearly every case, most stockholders were also liable on guarantees and direct paper, and in such financial condition, that it was impossible to collect all that they owed, and consequently the settlement was generally that of a settlement of all of the individual's liabilities, whether the same was incurred on account of the ownership of stock, direct obligations to the banks, or guarantees. I have tried to estimate this recovery, and as near as I can tell it amounts to somewhere between 30 and 40%.

I do not believe that it is possible, from these figures, to draw any general conclusions, but from my experience in handling closed banks in this State for the past 11 years, it seems to me that the banks which have closed after the Guaranty Fund Law became inoperative, were in better condition and a larger percentage has or will be returned to the depositors than in those banks which closed during the time the Guaranty Fund law was in operation. The only way that I can account for this is that there were stricter examinations and more attention given to the condition of banks after July 1, 1929, than there was prior to that time. Then, too, from complaints which we have received from time to time, it seems to me that the Guaranty Fund Law, as operated in this State, was conducive of loose banking.

I fear that this does not give you the desired information, but as I explained in the first part of this letter, without the expenditure of a large amount of money, and trouble, it is impossible to get this information for you with any degree of accuracy.

Yours, very truly,

(s) L. R. Baird

L. R. Baird, Receiver

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J. Taylor
Reporter

STATE OF NORTH DAKOTA
SUPREME COURT
Bismarck

December 10, 1934

Dear Judge Birdzell:

Your favor of December 6 came to hand last evening and I hasten to send such information regarding the experience of North Dakota with the Guaranty Fund as I have been able to secure from the State Examiner's office.

Enclosed you will find copy of a letter written by Gilbert Semingson when he was State Examiner to Mr. T. D. Maier of St. Paul. I am told by those in charge of the examiner's office that this letter contains all the statistics available with reference to receipts and disbursements of the Guaranty Fund while the law was in operation.

I am also sending you under separate cover copy of the guaranty laws, which you probably already have, but a duplicate copy may be of use to some member of your office force.

If the information contained in Mr. Semingson's letter is not all that you wish, please write me again and give me further instructions as to the information you desire.

I presume you are awareof the political situation that has developed in North Dakota. It seems we go from just one sensation to another. What the outcome of this latest move will be, it is impossible to say at this time. About all we are able to determine definitely is that the Supreme Court will have another nasty mess on its hands, and no matter which way they decide they will be condemned by somebody. It is surely a most unfortunate matter, and what the effects will be on the politics of this state I do not know. Things seem to be getting worse rather than better.

We were all very happy over the re-election of Judges Burr and Nuessle, and we feel that Mr. Morris will make a valuable member of the court when he qualifies. I presume it is really not necessary for me to comment on the political situation in this state, as I suppose you are fully informed already.

Thus far we have had a very pleasant winter. There is practically no snow and we have had no bitter cold weather. The states to the east and south of us have suffered greatly from deep snow and extremely cold weather. We have had only one morning when the temperature fell below

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zero and then not more than six degrees. At Rochester, Minnesota, two or three days ago the thermometer registered 24 degrees below and they have had a lot of snow all over that part of Minnesota, Iowa, and most of Wisconsin. The open winter here has been a great boon to stock raisers particularly.

I trust that you and your family are well and that you will enjoy all of the good things that the holiday season offers.

Very truly yours,

(s) E. J. Taylor

EJT/s

Hon. L. E. Birdzell
Federal Deposit Insurance Corporation
National Press Building
Washington, D. C.

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CW:VBM STAT M

January 24, 1935.

Mr. L. R. Baird, Receiver,
Bismarck, North Dakota.

Dear Mr. Baird:

We wish to thank you for the information contained in your letter of January 17th. This will be very useful in our study of deposit guaranty, especially the figure in regard to dividends paid on claims.

There are still questions about which we would like to have information, if it can be given without an undue amount of work. If the records do not show the exact figures, your opinion of the approximate amounts would be useful.

First. The State Examiner, in his letter of January 3, reported the total amount of deposits in banks which failed during the time the guaranty law was in operation at $38,816,340. He reported, also, that the total amount of certificates issued and approved by the fund equalled $23,029,191. There is thus a difference of $15,787,149. Is it possible to tell how much of this difference was composed of secured deposits, and how much of unsecured deposits which were eliminated through offsets, compromise settlements, etc?

Second. What was the amount of payments on secured claims, and the amount of payments (by offsets, etc.) on unsecured claims which were eliminated and for which no certificates were issued?

Third. What is the present estimated recoverable value of assets of these banks still in the hands of the receivers? We have an estimate that the recoverable value at the time the law became inoperative was from three to five million dollars. Presumably a part of this sum has been collected since that date.

We are anxious to obtain the fullest possible information regarding the operation of state deposit guaranty plans, and are very grateful to you for your cooperation.

Very truly yours,

Mortimer J. Fox, Jr.,
Chief Statistician.

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February 6, 1935

Mr. L. R. Baird, Receiver,
Bismarck, North Dakota.

Dear Mr. Baird:

Your letter of January 29 made clear several of the points which were making difficult for us a reconciliation of the statements which we have gathered from various sources concerning the Depositors' Guaranty Fund of North Dakota.

Thank you very much for your careful and detailed explanation.

Very truly yours,

(Signed) M. J. Fox, Jr.

Mortimer J. Fox, Jr.,
Chief Statistician.

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October 16, 1934

Hon. Adam Lefor,
North Dakota State Bank Examiner,
c/o National Conference of State
Supervising Officials,
Lord Baltimore Hotel,
Baltimore, Maryland.

Dear Mr. Lefor:

In connection with our studies of the banking laws and their operation in the states which have in the past had deposit insurance or guaranty laws, it would be of valuable assistance if one of the members of this Division could have a personal interview with you while you are in this neighborhood.

Your firsthand knowledge of the situation in North Dakota would shed light on how the various parts of the law operated.

Will you please advise us as to when and where this interview may be had, either here in Washington or in Baltimore. As the time is so short a telegram sent collect to the Statistical Division, Federal Deposit Insurance Corporation, Washington, D. C. would be appreciated.

Very truly yours,

(Signed) M. J. Fox, Jr.

Mortimer J. Fox, Jr.,
Chief Statistician.

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FH:WAM STAT. B.

December 20, 1934

Mr. Adam A. Lefor,
State Examiner of North Dakota,
Bismarck, North Dakota.

Dear Mr. Lefor:

The Statistical Division of the Federal Deposit Insurance Corporation is making a study of the guaranty of bank deposits by various states. We are experiencing some difficulty in securing statistics concerning the operation of the fund in North Dakota.

We would like to have the following information:

The total amount of deposits in banks which failed during the time the guaranty law was in force;

The amount which was recovered from the liquidation of closed banks' assets;

The total amount of certificates issued.

In regard to the Fund itself, what were the receipts from assessments of banks and what from interest and other sources? What was the expense of operating the fund? What amount was paid on the certificates? Were there also claims for interest?

We should be very glad if you would answer any of these questions. If such information has been published, we would appreciate your telling us where it can be secured. We will be very grateful for any assistance which you can render us.

Very truly yours,

(Signed) M. J. Fox, Jr.

Mortimer J. Fox, Jr.,
Chief Statistician.

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October 19, 1934

Mr. F. D. McCartney, President,
North Dakota Bankers Association,
American Bankers Association Convention,
Willard Hotel,
Washington, D. C.

Dear Mr. McCartney:

In connection with our studies of the banking laws and their operation in the states which have in the past had deposit insurance or guaranty laws, it would be of valuable assistance if one of the members of this Division could have a personal interview with you while you are in Washington.

Your firsthand knowledge of the situation in North Dakota would shed light on how the various parts of the law operated.

The offices of the Federal Depsoit Insurance Corporation are located in the National Press Building, which is just across the street from the Willard Hotel. Our room number is 433 and our telephone number is District 1240, Extension 112.

We would appreciate your granting us an interview and advising us when and where it may be had.

Very truly yours,
(Signed) M. J. Fox, Jr.

Mortimer J. Fox, Jr.,
Chief Statistician.

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December 19, 1934.

Mr. R. M. Stangler, President,
Bank of North Dakota,
Bismark, North Dakota.

Dear Mr. Stangler:

While working in St. Paul for the Farm Credit Administration under Mr. Crowley I came in pleasant contact with you. I am now in Washington with the Federal Deposit Insurance Corporation, still working with Mr. Crowley.

The Statistical Division is making a study of the Guaranty of Bank Deposits by various states. There has been some difficulty in securing statistics relating to the Guaranty Fund of North Dakota. Naturally my thoughts turned to you as one well fitted to give me assistance in this matter.

The following is the information which is desired:

Receipts:
Assessments of banks,
Liquidation of suspended banks in fund,
Earnings and other receipts.

Disbursements:
Payment of depositors' claims,
Interest on borrowings,
Expense of operation.

It may be that you can refer me to some printed report in which I will find all of this information. Any assistance which you can give me will be greatly appreciated.

Very truly yours,

(Signed) M. J. Fox, Jr.

Mortimer J. Fox, Jr.,
Chief Statistician.

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FH:HSD STAT M

October 19, 1934

Mr. C. C. Wattam, Secretary,
North Dakota Bankers Association,
American Bankers Association Convention,
Willard Hotel,
Washington, D. C.

Dear Mr. Wattam:

In connection with our studies of the banking laws and their operation in the states which have in the past had deposit insurance or guaranty laws, it would be of valuable assistance if one of the members of this Division could have a personal interview with you while you are in Washington.

Your firsthand knowledge of the situation in North Dakota would shed light on how the various parts of the law operated.

The offices of the Federal Deposit Insurance Corporation are located in the National Press Building, which is just across the street from the Willard Hotel. Our room number is 433 and our telephone number is District 1240, Extension 112.

We would appreciate your granting us an interview and advising us when and where it may be had.

Very truly yours,

(Signed) M. J. Fox, Jr.

Mortimer J. Fox, Jr.,
Chief Statistician.

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Federal Reserve Bank of St. Louis

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FEDERAL DEPOSIT INSURANCE CORPORATION
St. Paul, Minnesota

October 2, 1934

Mr. John G. Nichols,
Chief, Examining Division,
Federal Deposit Insurance Corporation
Washington, D. C.

Dear Mr. Nichols:

At the time of our recent conference in Washington, you requested that you be furnished with all information pertinent to the operation of the Guaranty Funds in the States of North Dakota and South Dakota. The history of the Guaranty Fund of the State of North Dakota is as follows:

The original law creating a Depositors Guaranty Fund in that State was passed by the Legislature at its 1917 Session and the Fund began its operation on July 1st of that year. This Act, being Chapter 126 of the 1917 Session Laws, provided for a guaranty Fund Commission to be composed of five members, the Governor, the State Examiner, and three members appointed by the Governor from a list of nine men selected by the banks directly affected by the provisions of the Act.

Each bank admitted to the Fund, under the provisions of the Act, was required to file a statement of its average annual deposits with the Commission. The Law provided that an assessment of one-twentieth of one percent of its average annual deposits was to be levied against each member bank, and four additional assessments of a like amount could be levied against each member bank until the cash reserve of the Depositors Guaranty Fund had reached a level of one percent of the total average annual deposits of all member banks. When the cash reserve of the Fund had reached this figure, the assessments were then to be discontinued until the cash reserve had been depleted below one percent through the closing of a member bank. The original Law provided that upon the closing of a bank it would be the duty of the State Examiner to prepare an itemized list of all of the liabilities of such bank and certify same to the Depositors Guaranty Fund Commission for payment.

The 1917 Law was revised and rewritten at the 1923 Session of the Legislature and I am sending you herewith a copy of the 1929 Compilation of Laws Relating to State Banks, Savings Banks and Trust Companies. On page 90 of this Compilation you will find Chapter 31B of the Supplement to the 1913 Compiled Laws, which sets forth the entire Law relating to the Depositors Guaranty Fund, as revised at the 1923 Session.

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The Guaranty of Deposits Act was repealed by the Legislature at its 1929 Session, the repeal measure being Chapter 122 of the 1929 Session Laws, which became effective July 1st of that year. A copy of the repeal measure will be found on Page 164 of the 1929 Compilation.

The Guaranty Fund Law in the State of North Dakota was therefore in operation twelve years. During this time there was an income, through assessments levied against member banks and miscellaneous fees charged, of $2,076,169.98. During the same period there were three hundred and forty member banks closed, creating a liability in the Fund of approximately $25,000,000.00. The first two banks to close were paid out in full by the Guaranty Fund. These two banks closed in 1919. In 1920 banks closed so fast that it was impossible for the Commission to meet the claims filed against the Fund, and they then adopted the policy of paying a ten percent dividend on banks in the order in which they closed. This practice was continued until 1929, at which time the Act was repealed. During this time the Commission had paid a ten percent dividend in connection with two hundred and one State banks and there were one hundred and thirty seven State banks which had closed but in connection with which no dividends had been paid. The Repeal Measure provided that the funds remaining on hand be prorated to the creditors of these one hundred and thirty seven banks, and in accordance therewith a final dividend of one percent was then declared. The total dividends paidout by the Guaranty Fund in connection with the three hundred and forty member banks which closed amounted to approximately $2,000,000.00.

In addition to the reduction of $2,000,000.00 through the dividends declared by the Fund, the liability of the Fund had been reduced in the amount of approximately $3,000,000.00 through dividend payments made by the Receiver of the insolvent banks, leaving a net unpaid liability at the time of the Repeal of approximately $20,000,000.00. Most of these banks were still in the process of liquidation and it is probable that the net liability of the Fund in connection with these three hundred and forty banks, after all liquidation by the Receiver had been applied thereon, would have been between $15,000,000.00 and $17,000,000.00. At the time of the repeal measure, the annual income of the Fund through assessments against open members was approximately $100,000.00. With this income, it would have taken over one hundred years to have liquidated the determined liability of the Fund at that time. There have been many banks closed since the repeal of the Act, which would have added to the liability of the Fund, had the Act not been repealed, and which also would have decreased the income of the Fund through assessments.

Of the Guaranty of Bank Deposit laws enacted by eleven or twelve states, I believe all were repealed, with the exception of the law in the state of Mississippi. In that case, the state issued bonds for about $20,000,000.00, in order to pay off the liability of the Depositors Guaranty Fund. There was an initiated measure introduced in the state of North Dakota attempting to float a bond issue of $25,000,000.00 for the same purpose, but it was hopelessly defeated by a vote of thirteen to one majority.

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The Guaranty Fund law of the state of North Dakota can hardly be compared with the Federal Guaranty of Deposits Section of the 1933 Banking Act, inasmuch as in that state the guarantee of deposits was unlimited and under the new Federal Act the deposits are guaranteed only to the extent of $5,000.00 Then again, the Federal Government has lent its support, both financially and morally, to this Law, while the State of North Dakota made no financial contribution whatever to the Fund. In that State, only ¼ of 1% of the total deposits could be levied in assessments in any one year, while the federal law provides for a levy of ½ of 1% and an additional assessment of a like amount may be levied in any one year. The North Dakota banks, under the Guaranty Fund, did not have the opportunity to rehabilitate their capital structures as is being done under this new Federal Act by the Government through the Reconstruction Finance Corporation.

North Dakota pioneered in this movement and did not have a change to profit by the experiences of others in a like undertaking. There may have been too much haste in qualifying banks for admission and the requirements were not as stringent as they are under the Federal Act. The Fund in that state had to be built up through assessments and had not been in operation long enough to create a reserve that would be sufficient to cope with the great number of bank closings, which were due primarily to depressed agricultural conditions. Agriculture, during the time that bank closings were at the peak, was at the lowest ebb that it had been in a hundred years.

The above is believed to be a comprehensive survey of the operation of the Depositors Guaranty Fund in the state of North Dakota and it is hoped that it will convey to you adequate information.

Yours very truly,

L. J. Van Brunt
Supervising Examiner
Tenth District

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February 17, 1934.

Mr. T. D. Maier,
Chairman Educational Committee,
The First National Bank of St. Paul,
St. Paul, Minnesota.

Dear Sir:-

Replying to your letter of the 14th inst., the original law creating a Depositors Guaranty Fund in the State of North Dakota was passed by our Legislature at its 1917 Session, and the Depositors Guaranty Fund began its operation on July 1st of that year. This Act, being Chapter 126 of the 1917 Session Laws, provided for a Guaranty Fund Commission to be composed of five members, the Governor, the State Examiner, and three members appointed by the Governor from a list of nine men selected by the banks directly affected by the provisions of the Act.

Each bank admitted to the Depositors Guaranty Fund under the provisions of the Act was required to file a statement of its average annual deposits with the Commission. The law provided that an assessment of one-twentieth of one per cent of its average annual deposits was to be levied against each member bank each year, and four additional assessments of a like amount could be levied against each member bank annually until the cash reserve of the Depositors Guaranty Fund had reached an amount equal to one per cent of the total average annual deposits of all member banks. When the cash reserve of the Fund had reached this figure, the assessments were then to be discontinued until the cash reserve had been depleted below one per cent through the closing of a member bank. The original law provided that upon the closing of a bank it would be the duty of the State Examiner to prepare an itemized list of all of the liabilities of such bank and certify the same to the Depositors Guaranty Fund Commission for payment.

The 1917 Law was revised and rewritten at the 1923 Session of our Legislature. We are sending you under separate cover a copy of the 1929 Compilation of Laws relating to State Banks, Savings Banks and Trust Companies. On page 90 of this Compilation you will find Chapter 31B of the Supplement to the 1913 Compiled Laws, which sets forth the entire law relating to the Depositors Guaranty Fund, as revised at the 1923 Session.

The Guaranty of Deposits Act was repealed by our Legislature at its 1929 Session, the repeal measure being Chapter 122 of the 1929 Session Laws, which became effective July 1st of that

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year. A copy of the repeal measure will be found on page 104 of the 1929 Compilation. The Guaranty Fund law in this State was therefore in operation twelve years. During this time there was an income, through assessments levied against member banks and miscellaneous fees charged, of $2,076,169.98. During the same period there were three hundred and forty member banks closed, creating a liability in the Fund of approximately $25,000,000.00. At the time of the repeal of the Act, this liability had been reduced approximately $2,000,000.00 through dividends declared by the Fund, and approximately $3,000,000.00 through dividends made by the Receiver of the insolvent member banks, leaving a net unpaid liability at the time of the Repeal of approximately $20,000,000.00. It is probable, however, that the net liability of the Fund in connection with these three hundred and forty banks after all liquidation by the Receiver had been applied thereon, would have been between $15,000,000.00 and $17,000,000.00. At the time of the repeal measure the annual income of the Fund through assessments against open member banks was approximately $100,000.00. With this income, it would have taken over one hundred yaars to have liquidated the determined liability of the Fund at that time. There have been many banks closed since the repeal of the Act, which would have added to the liability of the Fund, had the Act not been repealed, and which also would have decreased the income of the Fund through assessments.

Of the Guaranty of Bank Deposit laws enacted by eleven or twelve states, we believe all were repealed with the exception of the law in the State of Mississippi. In that case the State issued bonds for about $20,000,000.00 in order to pay off the liability of its Depositors Guaranty Fund. There was an initiated measure introduced in this state attempting to float a bond issue of $25,000,000.00 for the same purpose, but it was hopelessly defeated by a vote of a thirteen to one majority.

As to some of the differences between our North Dakota plan and the Guaranteed Deposit Section of the 1933 Banking Act, the guarantee in this state was unlimited and the State was not behind it. The Federal Government is behind the new Federal Act, and only guarantees deposits in full to the extent of $2,500.00. In our state law, only one-fourth of one per cent of the total deposits could be levied in assessments in any one year, while the Federal Law provides for a levy of one-half of one per cent and an additional assessment of a like amount may be levied in any one year.

North Dakota pioneered in this movement and did not have a chance to profit by the experiences of others in a like undertaking. There may have been too much haste in qualifying banks for admission and the requirements were not as stringent as they are under the Federal Act. The fund in this state had to be built up through assessments and had not been in operation long enough

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to create a reserve that would be sufficient to cope with the great number of closings, which were due to the agricultural economic conditions which were at the lowest ebb they had been in a hundred years, and North Dakota is entirely dependent on its agricultural resources.

Very truly yours,

Deputy Examiner.

JWG:L.

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E. J. LANDER & CO.
ESTABLISHED 1883
INVESTMENTS
GRAND FORKS, NORTH DAKOTA

FILE

November 6th, 1934.

Miss Winifred M. Mulloy,
c/o Federal Deposit Ins. Corp.,
Washington, D. C.

Dear Winifred:

Your letter of October 23rd, asking me to give you my views with respect to the guaranty of deposit law which was in effect in our State some years ago, came duly. I laid it aside hoping to get to it within a day or two but here it turns up today wholly unanswered.

Now, Winifred, you know that I would go a long ways out of my way to do most anything that you would ask of me, However, I have been so tremendously involved in details and business generally during the last few weeks that I scarcely know which way to turn and my mind is far from being settled--but like a grasshopper jumping from first one thing then to another almost blindly; and now I am unexpectedly leaving for about a week's trip in Montana. Upon my return there will be a mountain of work awaiting my attention, so under these conditions, I am sure that you will excuse me from giving even a minute's thought to the proposition you submit.

Frankly, I am in favor of the F. D. I. C. notwithstanding the fact that North Dakota's experience with the guaranty law was unquestionably of little advantage to depositors and of distinct disadvantage to even reasonably well managed banks. During the period of its existance however, conditions were so abnormal that it seems to me that even the crude law which we had did not have even a fair chance to demonstrate itself.

Our agricultural depression out here really started following the winter of 1919-20, but most of us did not then and do not now, recognize that as a fact. You know of course that we lost more than two-thirds of our State Banks that were in existance, in 1920. What could the poor country banker do anyhow with land values vanishing, short crops, crop failures, and unheard of low prices? That's what we have had, not every year, but most of the time since the beginning of 1920; so with or without a guaranty law, country bankers out here found their securities and notes and mortgages largely uncollectable.

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In 1929 and following, if they were so fortunate as to be carrying bonds as a secondary reserve, they found that they were faced with trememdous losses when obliged to realize on them. So, there you are!

With sincere best wishes and kindest personal regards, I am

Yours respectfully,

EJLVP

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VII Statistical data

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Re numbers State banks
7-1-17 and 7-1-18;

Figs for mid-1917 are as of June 30
and include 691 State banks (listed in CC worksheet
4 trust companies in CC handwriting

CC worksheet shows for June 1918 (date not given)
685 - state bank
4 stock savs
4 trust cos
693 total

Note: These must be from CC report - not that of State Examiner.

Bat Commercial West July 6, 1918 } see binder
Oct 19, 1918 } misc articles.

reports 700 act / 705 admitted to the guaranty system.
Nile also minutes of CC show 90 banks to be
notified (media) June 28, 1918) that they were
disapproved + but many of these admitted later.
Commercial West Oct 19, 1918 says trust cos not affected by act.
700, discrepancy in number is 705 vs 689 (unless the
689 excludes the 5 not admitted)

But Northwestern Banker
Aug 1918 stated that 705 banks were operating
with 700 admitted + about 150 temporarily held
up for technical reasons. [805 must be error]

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NORTH DAKOTA — re coverage at beginning of system

Number of State banks & trust companies at call dates 1917 and 1918 - from Reports State Examiner & State Banking Board

	Total	State banks (incl savings banks)	Trust companies	[1918-19 not in file branch]
				fo 1917-18
				1919-20
		684	4	
Dec 27, 1916	688	691	4	
June 30, 1917	695	701	4	
Nov. 21, 1917	705	695	4	
June 29, 1918	699	705	4	
Dec 31, 1918	709			

Separate statements are not available for trust companies, so it is not known whether they had deposits and thus came within the scope of the deposit guaranty law

Individual statements of Banking and Loan associations do not show savings deposits, so it may be safely inferred that none came within the scope of the act.

Report for 1917-18 states:

"During the past two years, it has been necessary to close two banks, namely, the Security Bank of Knox and the Pollette County Bank at St John, and at this time it is impossible to give information as to losses, if any. Receivers will be appointed to wind up the affairs of these banks as re-organization could not be effected" p.5

Report for 1916-17 had stated not necessary to close any bank during the year. (p5).

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Table 3. NUMBER AND DEPOSITS OF STATE AND NATIONAL BANKS IN NORTH DAKOTA, 1917-1928

End of year	Number of banks: Total all banks	Number of banks: Guaranteed State banks 1/	Number of banks: National banks (not guaranteed) 2/	Deposits (in thousands): Total all banks	Deposits (in thousands): Guaranteed State banks 1/	Deposits (in thousands): National banks (not guaranteed) 2/	Guaranteed banks as percentage of total: Number	Guaranteed banks as percentage of total: Deposits
1917	866	705	161	$171,495	$104,590	$66,905	81.3%	61.0%
1918	877	709	168	210,361	122,882	87,479	80.8	58.4
1919	899	723	176	229,712	130,837	98,875	80.4	57.0
1920	875	694	181	186,769	103,955	82,814	79.3	55.7
1921	844	661	183	158,999	85,489	73,510	78.3	53.8
1922	850	665	185	180,123	95,499	84,624	78.2	53.0
1923	744	569	175	162,868	80,006	82,862	76.5	49.1
1924	679	513	166	196,818	88,078	108,740	75.6	44.8
1925	643	482	161	197,749	86,351	111,398	75.0	43.7
1926	556	409	147	175,182	69,613	105,569	73.6	39.7
1927	513	371	142	175,896	65,159	110,737	72.3	37.0
1928	471	337	134	174,184	59,773	114,411	71.5	34.3

Source: State Banks and Trust Companies, North Dakota State Banking Board Reports; National Banks, Reports of Comptroller of the Currency; Bankers Directory.

1/ Includes trust companies.
2/ Includes the State Bank of North Dakota.

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DO NOT USE — Excludes Banks of North Dakota

Table 4. NUMBER AND DEPOSITS OF STATE AND NATIONAL BANKS IN NORTH DAKOTA, 1917-1928, BY YEARS

End of year	Number of banks			Deposits (in thousands)			Guaranteed banks as percentage of total	
	Total all banks	Guaranteed State banks 1/	National banks (not guaranteed)	Total all banks	Guaranteed State banks 1/	National banks (not guaranteed)	Number	Deposits
1917	866	705	161	$171,495	$104,590	$66,905	81.4%	61.0%
1918	877	709	168	210,361	122,882	87,479	80.8	58.4
1919	898	723	175	214,258	130,837	83,421	80.5	61.1
1920	874	694	180	173,658	103,955	69,703	79.4	59.9
1921	843	661	182	152,384	85,489	66,895	78.4	56.1
1922	849	665	184	173,002	95,499	77,503	78.3	55.2
1923	743	569	174	155,747	80,006	75,741	76.6	51.4
1924	678	513	165	184,136	88,078	96,058	75.7	47.8
1925	642	482	160	181,505	86,351	95,154	75.1	47.6
1926	555	409	146	153,466	69,613	83,853	73.7	45.4
1927	512	371	141	149,210	65,159	84,051	72.5	43.7
1928	470	337	133	143,659	59,773	83,886	71.7	41.6

Source: State Banks and Trust Companies, North Dakota State Banking Board Reports; National Banks, Reports of Comptroller of the Currency.

1/ Includes trust companies.

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Table 3. NUMBER OF GUARANTEED AND NON-GUARANTEED BANKS IN NORTH DAKOTA

Years	Number of guaranteed banks: Total	State banks	Private banks	National banks (Not guaranteed)
1917	866	705	81.4	161
1918	877	709	80.8	168
1919	898	723	80.5	175
1929	874	694	79.4	180
1921	843	661	78.4	182
1922	849	665	78.3	184
1923	743	569	76.6	174
1924	678	513	75.7	165
1925	642	482	75.1	160
1926	555	409	73.7	146
1927	512	371	72.5	141
1928	470	337	71.7	133
1929 (June)	433	308	71.1	125

Source: State Banks from N.D. State Banking Bd Report
Nat'l Banks from Reports of Comptroller of Currency

All figures used are as of the end of the year.

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Table 4. DEPOSITS OF BANKS PARTICIPATING AND NOT PARTICIPATING IN THE DEPOSIT GUARANTY PLAN IN NORTH DAKOTA

Ed Lee Bank of North Dakota

(in thousands)

Years	~~Number of~~ ~~total~~ all banks	Guaranteed ~~banks:~~ State banks: St. Co.	~~private banks~~	Guaranteed Bank as percent of total	National banks (not guaranteed)
1917	171.495	104,590		61.0	66905
1918	210.361	122 882		58.4	87479
1919	214.258	130 837		61.1	83421
1920	173,658	103955		59.9	69703
1921	152.384	85 489		56.1	66895
1922	173.007	95 499		55.2	77503
1923	155747	80 006		51.4	75741
1924	184.136	88078		47.8	96 058
1925	181505	86351		47.6	95154
1926	153.466	69 613		45.4	83853
1927	149,710	65159		43.7	84 051
1928		59 773		41.6	83 886
~~1929~~	143659				

Source: State Bank + Trust Companies — N.D. State Banking Board Reports
Nat'l Banks — Reports of Comptroller of the Currency

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TABLE 3 . NUMBER and deposits OF OPERATING BANKS IN NORTH DAKOTA PARTICIPATING AND NOT PARTICIPATING IN THE DEPOSIT GUARANTY SYSTEM, JULY 1, 1917 TO JULY 1, 1929.

Year end [1]	Number of operating banks			Deposits of operating banks (in thousands)			Participating banks as percentage of operating banks	
	Total	Participating [2]	Not participating [3]	Total	Participating	Not participating	Number	Deposits
		(50.4% (355)			(52713)			
1917	866	705	161	171495	104590	66905	81.4	60.9
1918	877	709	168	210361	122882	87479	80.8	58.4
1919	898	723	175	214258	130837	83421	80.5	61.1
1920	874	694	180	173658	103955	69703	79.4	59.9
1921	843	661	182	152384	85489	66895	78.4	56.1
1922	849	665	184	173002	95499	77503	78.3	55.2
1923	743	569	174	155747	80006	75741	76.6	51.4
1924	678	513	165	184136	88078	96058	75.7	47.8
1925	642	482	160	181505	86351	95154	75.1	47.6
1926	555	409	146	153466	69613	83853	73.7	45.4
1927	512	371	141	149210	65159	84051	72.5	43.7
1928	470	337	133	143659	59773	83886	71.7	41.6
~~1929~~		(49.6% (167)			(29647)			
Participating Numbers & deposits	Total	6,838			1,092,232			
	aggregate adjusted for partial years.	6,318			1,010,229			

1/ December 31, or nearest available date.
2/ All State banks and trust companies required to participate.
3/ National banks and the Bank of North Dakota

NOT USED in Report - EXCLUDES Banks/North Dakota,
Also 1917 should be excluded - so totals for failure rate also need revision.

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Note for North Dakota. —

7R revised all-bank description indicates that State report aggregates balance sheets may include banks in liquidation. So check — and compare count with that in the revised all-bank series.

Checked. 7R revised figures agree with those in State reports (and C7C) for period of deposit guaranty system — plus data for the Bank of North Dakota

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Deposits in Active North Dakota State Banks

Year	Total		State		Stock Savings		Loan & Trust Cos.	
1917 June 20	695	90327	691	89696 2/	2/	4	4	631
1918	693	92761	685	88737	4	3360	4	664
p173-74 1919	710	126856	706 2/	125787			4	1069
1920	717	124763	713	123307			4	1456
p.156-7 1921	674	91290	674 3/	91290				
1922	664	86772	660	85637			4	1135
1923	647	91466	643	89839			4	1627
1924	522	71642	518	70000			4	1642
1925	498	82641	494	80825			4	1816
1926 June 29	442	76076	438	74248			4	1828
1927	389	63157	386	61370			3	1787
1928	353	59762	350	57942			3	1820

1/ See note on Nebraska sheet. From reports of Comptroller of the Currency
2/ Stock savings banks included with state banks
3/ Includes all banks other than national

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Law enacted Mar. 10, 1917 Effective July 1, 1917
Repealed 1929

STATISTICAL DATA REGARDING DEPOSIT GUARANTY FUND IN North Dakota

I. COVERAGE AND ASSESSMENTS

Year	All banks in State, (Reports Comptroller of Currency) Date	Number (including loan and trust companies)	Total deposits (thousands)	(All banks in State (State reports or abstracts) Call date nearest Jan. 1) Date	Number	Total deposits	All banks in State - average of call dates Number	Total capital account	Total deposits	Insured deposits: Total State & National Banks Deposits	Number	Assessments: Deposits on which assessments were based	Rate of assessment percent of deposits	Amount of assessment levied
					State Bks & Tr. Cos									
1917	June 20	695	90327	12-27-16	684	85371	686	705	12333	93455	144 691	841		
1918	June 29	699 693	93301 92761	11-20-17	705	104590	699	709	16161	108092	171 495	866		
1919	June 30	710	126856	12-31-18	709	122882	707	723	17314	127955	210 361	877		
1920	June 30	718 717	124763	12-31-19	723	130837	694	718	16713	119159	214 258	898		
1921	June 30	675 674	91290 87183	12-29-20	694	103955	681	661	15850	91795	173 658	874		
1922	June 30	665 664	86772	12-31-21	661	85489	664	667	15438	90191	152 384	848		
1923	June 30	648 647	91466	12-29-22	665	95499	569	656	14502	89699	173 002	849		
1924	June 30	523 522	71642	12-31-23	569	80006	513	543	12373	80398	155 747	743		
1925	June 30	499 498	82641	12-31-24	513	88078	482	508	11830	85699	184 136	678		
1926	June 29	443 442	76076	12-31-25	482	86351	409	458	10641	75677	181 505	642		
1927	June 30	390 389	63157	12-31-26	409	69613	371	389	9657	67141	153 466	555		
1928	June 30	354 353	59762	12-31-27	371	65159	337	353	9021	62002	149 210	512		
1929	June 29	309 308	50039	12-31-28	337	59773	290	308	6122	49960	143 659	470		
1916	Dec 27	157	59320											
1917	31	161	66905											
1918	31	168	87479											
1919	31	175	83421											
1920	29	180	69703											
1921	31	182	66895											
1922	29	184	77503											
1923	31	174	75741											
1924	31	165	96058											
1925	31	160	95154											
1926	31	146	83853											
1927	31	141	84051											
1928	31	133	83886											
1929	31	127	77025											

Nat'l Banks - Jan. 1 (Comptroller)

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table #5 : No. & Deposits of State Banks in North Dakota + Trust Companies
Dec 31, 1918, 1923, and 1928
(Banks grouped by amount of deposits)

	Number of Banks			Deposits (thousands of dollars)		
	1918	1923	1928	1918	1923	1928
All State banks & Trust Cos.	704	566	334	123154	85601	64646
Banks with deposits:						
$100,000 or less	202	212	89	14113	15068	6449
$100,000 to $250,000	390	279	172	64601	43652	27534
$250,000 to $500,000	99	67	54	33407	21870	18424
$500,000 to $1,000,000	10	8	19	6401	5111	12239
$1,000,000 to $2,000,000	2			2430		
$2,000,000 to $3,000,000	1			2202		
More than $5,000,000						
Largest Bank	1	1	1	2202	942	982
Largest 5 Banks	5	5	5	6285	3573	4039
Largest 10 Banks	10	10	10	9385	6105	7228
Percentage of Total	100.0	100.0	100.0	100.0	100.0	100.0
Banks with deposits of:						
$100,000 or less	28.7	37.5	26.6	11.4	17.6	10.0
$100,000 to 250,000	55.4	49.3	51.5	52.5	50.9	42.6
$250,000 to $500,000	14.1	11.8	16.2	27.1	25.5	28.5
$500,000 to $1,000,000	1.4	1.4	5.7	5.2	6.0	18.9
$1,000,000 to $2,000,000	.3			2.0		
$2,000,000 to $5,000,000	.1			1.8		
More than $5,000,000						
Largest Bank	.1	.2	.3	1.8	1.1	1.5
Largest 5 Banks	.7	.9	1.5	5.1	4.2	6.2
Largest 10 Banks	1.4	1.8	3.0	7.6	7.1	11.2

Source: 1918 - Rand McNally
1923 + 1928 S-16a

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Number & Deposits of State Banks in North Dakota Closed because of financial difficulties, 1916-1929

	Number			Deposits		
	Total number of failed banks	Responsible with no obligation on the fund	Entailing obligations on fund	Total failed banks (40,329R-68%)	Responsible with no obligation on the fund (in thousands)	Entailing obligations on the fund (in dollars)
1916	1			27424		
1917	—	—	—	—	—	—
1918	—	—	—	—	—	—
1919	1	—	1	200560	—	200560
1920	18	—	18	3478251	—	3478251
1921	35	8	27	4921017	859	4062017
1922	9	2	7	1278203	207	1071203
1923	85	8	177	10266514	1131	9135514
1924	66	5 4	61	7635868	291	6744868
1925	25	—	25	2394923	—	2394923
1926	48	5	43	5167171	784	4383171
1927	33	—	33	3691402	—	3691402
1928	33	3	30	2795270	635	2160270
1929	19	1	18	2031316	259	1772316
Total 1916-26	288 7			34769931		
Total 1917-29	372	31 32	340	43260495	4166	39094495

Source: Data 1917-29-- From N. Dakota worksheets of individual banks.
1916 From Willis data.

Note: The 1916-26 total above was presumably used in the S. Dakota report - contains State data. But for this purpose the 1917 failure (1) shown in the State examiner's report should be included — / But deposits of the 1916 failure and those in 1917 are not given in State report.

Note. Ink correction to change treatment by Kelleher

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Re-typed

Table 6. NUMBER AND DEPOSITS OF STATE BANKS IN NORTH DAKOTA CLOSED BECAUSE OF FINANCIAL DIFFICULTIES, JULY 1, 1918, TO JULY 1, 1929

(Amounts in thousands)

Year	Number of banks			Deposits (in thousands)			Annual failure rates	
	Total 1/	Involving payments from the guaranty fund 1/	Reopened with no obligation on the fund 1/	Total	Banks with payments from guaranty fund 1/	Banks with no payment from guaranty fund	Number per 100 active banks	Deposits per $100 in active banks
Total	371	340	31	$43,216	$39,094	$4,116	5.5 2/	$3.98 2/
1919	1	1	--	201	201	--	.1	.16
1920	18	18	--	3,478,251	3,478,251	--	2.5	2.66
1921	35	27	8	4,921,568	4,062,017	859,551	3.9	3.91
1922	9	7	2	1,278,223	1,071,203	207,020	1.1	1.25
1923	85	77	8	10,267,913	9,135,514	1,131,299	11.6	9.57
1924	65	61 3/	4	6,986,144	6,744,866	240,816	10.7	8.43
1925	25	25	--	2,394,923	2,394,923	--	4.9	2.72
1926	48	43	5	5,167,268	4,383,171	784,097	8.9	5.08
1927	33	33	--	3,691,402	3,691,402	--	8.1	5.30
1928	33	30	3	2,794,583	2,160,270	634,313	8.1	3.32
1929 4/	19	18	1	2,031,402	1,772,516	259,086	10.7 2/	5.94 2/

1/ Tabulated from data in the records of the Depositors Guaranty Fund Commission. There was no failure among participating banks prior to 1919. Four banks which did not become participants in the guaranty system, and were placed in receivership during the third quarter of 1918, are omitted from this table. Deposits of these banks, as shown in bank directories for the last date prior to closing, totaled $791 thousand.

2/ Annual rates.

3/ Includes 1 bank with deposits at closing of $4,859 for which no guaranteed claims were allowed.

4/ To July 1, 1929.

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TABLE 6 NUMBER AND DEPOSITS OF STATE BANKS IN NORTH DAKOTA CLOSED BECAUSE OF FINANCIAL DIFFICULTIES, JULY 1, 1918 TO JULY 1, 1929

Year	Total number of failed banks	Reopened with no obligation on the fund	Failed banks entailing obligations on the fund: Number	Deposits (in dollars)	Number suspended per 100 participating banks	Deposits in closed banks per $100 of deposits in participating banks
~~1917~~	—	—	—	—	—	—
~~1918~~	—	—	—	—	—	—
1919	1	—	1	200,560	.1	.16
1920	18	—	18	3,478,251	2.5	2.66
1921	35	8	27	4,062,017	3.9	3.91
1922	9	2	7	1,071,203	1.1	1.25+
1923	85	8	77	9,135,514	11.6	9.57
1924	65 ~~66~~	4 ~~5~~	61 [3]	6,744,868	10.7	8.43
1925	25	—	25	2,394,923	4.9	2.72
1926	48	5	43	4,383,171	8.9	5.08
1927	33	—	33	3,691,402	8.1	5.30
1928	33	3	30	2,160,270	8.1	3.32
1929 [4]	19	1	18	1,772,316	18.8 [2]	5.94 ~~5.98~~ [2]
Total	371 ~~372~~	31 ~~32~~	340	39,094,495	5.5 ~~5.4~~ [2]	3.96 ~~3.84~~ [2]

[1] ~~There was no failure among participating banks prior to 1919.~~ Four banks which did not become participants in the guaranty system, and were placed in receivership during the third quarter of 1918 are omitted from this table.

[3] Includes 1 bank with deposits at closing of $4,859 for which no guaranteed claims were allowed.

[2] ~~Adjusted for partial years.~~ Annual rate.

[4] To July 1, 1929.

Tabulated from data in the records of the Depositors Guaranty Fund Commission.

Note. Rates for entire period need re-computing — to exclude 1917 from base. — i.e. effective period was 11 years June 30, 1918 to June 30, 1929.

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TABLE . SIZE DISTRIBUTION OF /NUMBER AND ~~XXXX~~ DEPOSITS OF PARTICIPATING BANKS IN NORTH DAKOTA CLOSED BECAUSE OF FINANCIAL DIFFICULTIES, 1917-1929

	Number of banks	Deposits (in thousands of dollars)	Percentage of total	
			Number	Deposits
Total	340	$39,094	100.0	100.0
Banks with deposits of -				
$100,000 or less	179	10262	52.6	26.2
$100,000 to $250,000	135	19696	39.7	50.4
$250,000 to $500,000	23	7182	6.8	18.4
$500,000 to $1,000,000	3	1954	.9	5.0
$1,000,000 to $2,000,000	—	—	—	—
$2,000,000 or more	—	—	—	—

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Month Plot of a
State Banks:

Source. 1918-1919 - Rand McNally
1920-'29 - S-16a.

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16875
400.
1275
13431.75

TABLE ___ STATE BANKS IN North Dakota, GROUPED BY AMOUNT OF DEPOSITS Year ending December 31.

	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	12-year Total	11-year Total (1918-1928) excluding Bank of N Dak.
NUMBER OF BANKS-- total		701+3	718+2	694+3	661+4	660+4	567	511	481	408	371+2	335	287	6401	6115
Grouped by amount of deposits															
100 000 or less		199+3	178+2	186+3	248+4	243+4	212	151	127	109	101+2	89	84	1945	1861
100 000 to 250 000		390	385	377	337	336	279	273	265	230	197	172	145	3376	3231
250 000 to 500 000		99	132	115	67	76	67	74	74	62	55	54	45	917	872
500 000 to 1 000 000		10	19	14	8	3	8	11	16	16	17	19	12	153	141
1 000 000 to 2 000000		2	3	1	—	1		1	1	—				9	10
2 000 000 to 5 000 000		1	—	—	—	—				—				1	
OMIT 5 000 000 ad over Bank of North Dakota		✓	1	1	1	1	1	1	1	1	1	1	1 OMIT		
Total excluding 1 Bank over 2 million			136077	123885	99715	99511	85601	87354	87218	75351	69774	64646	51788	1104074	952286
DEPOSITS-- total		123154	151531	136996	106330	106632	92722	100036	103422	97067	96460	95121	74273		
Grouped by amount of deposits															
100 000 or less		14113	12425	13645	17708	17124	15068	10922	9188	7681	7268	6449	6018	137609	131591
100 000 to 250 000		64601	63172	61516	54716	53391	43552	43509	42213	35661	31747	27534	22247	543859	521612
250 000 to5500 000		33407	43624	38491	22113	25778	21870	24827	24405	21397	19316	18424	15484	309136	293652
500 000 to 1 000 000		6401	12058	9228	5178	2097	5111	7014	10367	10612	11443	12239	8039	99787	91788
1 000 000 to 2 000 000		(2430	4298	1005	—	1121		1082	1018	—	—	—	—	11481	13683
2 000 000 to 5 000 000		2202	—	—	—	—		—	—	—	—	—	—	2202	
OMIT 5 000 000 and over Bank of North Dakota			15454	13111	6615	7121	7121	12682	16249	21716	26686	30525	22485 OMIT		
State Reports	Nov 20, 1917	Dec 31	Dec 31	Dec 29	Dec 31	Dec 29	Dec 31	Dec 31	Dec 31	Dec 31					
	701+4th.	705+4	719+4	690+4	657+4	661+4	565+4	509+4	478+4	406+3	368+3	334+3	228+2		
	104589	122882	130838	103955	85489	95500	80007	88077	86350	68613	65159	59772	45361		

L Bank of North Dakota was established by statute dated Feb. 25, 1919.

L Excluding Bank of North Dakota

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Bank Failure Rates in North Dakota and Contiguous States, 1919-1928

States	Number: Total number of active banks	Number: Number of failed banks	Number: Failed per 100 operating annual rate		Deposits: Total deposits in active banks (in thousands)	Deposits: In failed banks	Deposits: In failed banks per $100 in active banks (annual rate)	
State banks								
North Dakota	5,625	353	6.3		1023848	~~41083221~~ 41229179	$ 4.02	
Three contiguous States	17,336	826	832 4.8	4.8	5712112	187370 184505272	3.23	3.28
Montana	2,027	145	150 7.2	7.4	655289	33064 30546	4.66	5.05+
South Dakota	4,608	333	334 7.2	7.2	1276304	82354 81907272	6.42	6.44
Minnesota	10,701	348	3.3		3780519	72052	1.91	
Entire United States	196,538	4,559	2.3		218445	1,149,438	.53	
National banks								
North Dakota	1,658	56	3.4		763284	15493	2.03	
Three contiguous States	5,435	166	3.1		6624065	64543	.97	
Montana	1,073	58	5.4		735465	15941	2.17	
South Dakota	1,190	52	4.4		744673	20954	2.81	
Minnesota	3,172	56	1.8		5143927	27648	.54	
Entire United States	80,026	711	.9		184786	325494	.18	
State and National Banks								
North Dakota	7,283	409	5.6		1787132	~~56576221~~ ~~56722179~~	3.17	
Three contiguous States	22,771	992	998 4.4	4.4	12336177	251913 249048	2.02	2.04
Montana	3,100	203	208 6.5+	6.7	1390754	49005 46487	3.34	3.52
South Dakota	5,798	385	386 6.6	6.7	2020977	103208 102861272	5.09	5.11
Minnesota	13,873	404	2.9		8924446	99700	1.12	
Entire United States	276,564	5,270	1.9		403231	1474932	.37	

Figures in red include private banks.

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Deposits of Failed Banks in States Contiguous with North Dakota, 1919-1928, & in North Dakota

	North Dakota	Total United States	Montana	South Dakota	Minnesota	Total Three States
State Banks	~~41,085,221~~ ~~44,229,479~~	(Thousands) ~~1,149,438~~	30546 +2518 33,064	81,907,272 +347 82,254,272	72052	184505 +2865 187370
1919	~~106,006~~ ~~200560~~	16,154	141,114	141,135		
1920	3,478,251	62,450	1,250,554	527,292	173,505	
1921	4,921,~~514~~ 568	152,029	4886 +360	316,307	4742	
1922	1,278,~~055~~ 233	70,985	4084	1,991,064	2970	
1923	10,266,~~514~~ 813	115,357	13,421	10,172,700	6558	
1924	~~4,035,866~~ 6,985,184	145,260	5399 +2,158	28,763,213	16,103	
1925	2,394,923	111,363	963	10,860,759	6841	
1926	5,167,~~144~~ 268	216,155	413	24,072,823	17,144	
1927	3,691,402	153,782	114	4169	9108	
1928	2,795,~~240~~ 583	105,903	15	893 +347	7001	
National Banks	15,493	325,494	15941	20954	27,648	64543
1919	—	881	—	—	—	
1920	418	2903	—	823	—	
1921	354	20777	1313	384	—	
1922	445	20197	2649	560	—	
1923	3,036	34244	6197	1774	1203	
1924	2,308	64890	4166	7598	4556	
1925	1,472	55574	1486	4474	8845	
1926	3,078	43998	106	4108	6046	
1927	1,691	45,547	24	533	4524	
1928	2,691	36,483	—	700	2474	

Plus figures in red are private banks.

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1/ Tabulated from data from the following sources: For failed state banks: North Dakota , 1919-1928; South Dakota, 1919-1926 - from deposit guaranty studies; South Dakota, 1927-1928 - from Banking and Monetary Statistics, pp. 288-292. For remaining states - 1919-1920, from Willis, Banking Inquiry of 1925; 1921-1928, from Banking and Monetary Statistics, pp. 288-292. For failed state and national banks, entire United States, 1919-1926, from Texas worksheet "Suspension ratios in States contiguous with Texas, 1910-1926"; 1927-1928, from Banking and Monetary Statistics, pp. 2 88-292. For failed national banks: all states, 1919-1920 - Annual Report of Comptroller of the Currency for 1931; 1921-1928 - Banking and Monetary Statistics, pp. 286-287. For operating banks, from IBM runs of revised "all-bank" data.

Figures in red include private banks.

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Table 8. Annual Bank Failure Rates in North Dakota, 1919-1928, Compared with Rates in Contiguous States and in the United States

	Failures per year per 100 operating banks			Deposits per year in failed banks per $100 in operating banks		
	State and national banks	State banks	National banks	State and national banks	State banks	National banks
North Dakota	5.6	6.3	3.4	$3.17	$4.05	$2.03
Three contiguous States	4.4 4.4	4.8 4.8	3.1	2.02 2.04	3.23 3.28	.97
Montana	6.5+ 6.7	7.2 7.4	5.7	3.34 3.52	4.66 5.05	2.17
South Dakota	6.6 6.7	7.2 7.2	4.4	5.09 5.11	6.42 6.44	2.81
Minnesota	2.9	3.3	1.8	1.12	1.91	.54
Entire United States	1.9	2.3	.9	.37	.53	.18

Source of data:

State banks

North Dakota - 1919-1928 - From deposit guaranty study.

Total U.S. - State and national banks - 1919-1926 -- From Texas worksheet "suspension ratios in States contiguous with Texas, 1910-1926."

Montana - 1919-1920 - From Willis, Banking Inquiry of 1925.
1921-1928 - B. & M. Statistics, pp. 288-292.

South Dakota - 1919-1926 - Deposit Guaranty Study
1927-1928 - B. & M. Statistics, pp. 288-292

Minnesota - 1919-1920 - From Willis.
1921-1928 - B. & M. Statistics

1927-1928 - B & M Statistics, pp. 288-292

National Banks -

1919-1920 - A. R. of Comptroller of Currency for 1931.
1921-1928 - B. & M. Stat., pp. 286-287

For operating banks, from IBM runs of revised "all-bank" data.

Figures in red include private banks.

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Number of Failed Banks in States Contiguous with North Dakota, 1919-1928, and in ~~North~~ Dakota

	North Dakota	Total United States [1]	Montana	South Dakota	Minnesota	Total Three States
State Banks	353	4,559	145 + 5 150	333 + 1 334	348	826 + 6 832
1919	1 ✓	61 ✓	— ✓	1 ✓	15 ✓	
1920	18 ✓	148 ✓	5 ✓	1 ✓	1 ✓	
1921	35 ✓	454 ✓	15 1 ✓	1 ✓	18 ✓	
1922	9 ✓	317 ✓	22 ✓	9 ✓	15 ✓	
1923	85 ✓	556 ✓	60 ✓	39 ✓	42 ✓	
1924	66 ✓	653 ✓	28 4 ✓	99 ✓	47 ✓	
1925	25 ✓	499 ✓	7 ✓	51 ✓	35 ✓	
1926	48 ✓	852 ✓	6 ✓	103 ✓	79 ✓	
1927	33	578 ✓	1 ✓	25 ✓	53 ✓	
1928	33	441 ✓	1 ✓	4 1 ✓	43 ✓	
National Banks	56	711	58	52	56	166
1919	—	2 ✓	—	— ✓	— ✓	
1920	2	7 ✓	—	1 ✓	— ✓	
1921	2 ✓	52 ✓	7 ✓	2 ✓	— ✓	
1922	2 ✓	49 ✓	9 ✓	2 ✓	— ✓	
1923	14 ✓	90 ✓	17 ✓	5 ✓	4 ✓	
1924	9 ✓	122 ✓	13 ✓	14 ✓	8 ✓	
1925	7 ✓	118 ✓	9 ✓	12 ✓	15 ✓	
1926	11 ✓	123 ✓	2 ✓	12 ✓	14 ✓	
1927	4 ✓	91 ✓	1 ✓	2 ✓	12 ✓	
1928	5 ✓	57 ✓	— ✓	2 ✓	3 ✓	

[1] Includes Private banks

Plus figures in red are private banks.

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Failed National Banks - 1919-1920, Number & Deposits, North Dakota & Three Contiguous States

		Total deposits at date of failure
North Dakota		
1919 - none		
1920 -	Medina, First National Bk.	170529
	Towner, First Nat'l. Bk.	247015
Montana		
None		
South Dakota		
1919 - none		
1920 -	Eureka, First Nat'l. Bank	823254
Minnesota		
None		

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Deposits of Active Banks in States Contiguous with North Dakota, 1919-1928, & in North Dakota

Mid-year	North Dakota	Total United States (millions)	Montana	South Dakota	Minnesota	Total Three States
State Banks	1,023848	218,475	655289	1276304	3780519	5712112
1919	126856.	16,713.	86849.	172972.	362332.	
1920	146388.	18,994.	80955.	174773.	427609.	
1921	100422.	17,879.	66542.	137648.	379299.	
1922	92473.	18,805.	63413.	147115.	377552.	
1923	100678.	20,838.	61183.	157568.	390041.	
1924	80894.	22,347.	48916.	111620.	370907.	
1925	101945.	24,725.	57597.	116826.	393026.	
1926	99670.	25,658.	59774.	96695.	384843.	
1927	87820.	26,185	60297.	74446.	352572.	
1928	86702.	26,301	69763.	86641.	342338.	
National Banks	763,284	184,786	735465	744673	5143927	6624065
1919	81523.	15,935.	85251.	95366.	472242.	
1920	76870.	17,159.	80292.	90385.	484518.	
1921	64912.	15,142.	69913.	68671.	431989.	
1922	67426.	16,323.	64843.	72480.	460504.	
1923	75818.	16,899.	69299.	76236.	500896.	
1924	69462.	18,349.	61073.	66189.	530110.	
1925	84345.	19,912.	70115.	73017.	574108.	
1926	86849.	20,644.	72145.	70803.	553853.	
1927	76588.	21,778	75838.	60993.	557874.	
1928	79491.	22,645	86696.	70533.	577833.	

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Number of Active Banks in States Contiguous with North Dakota, 1919-1928, & in North Dakota

	Mid-year	North Dakota	Total United States	Montana	South Dakota	Minnesota	Total Three States
State Banks		5,625	196,538	2027	4608	10701	17336
	1919	710	19,560	275	529	1141	
	1920	718	20,576	278	543	1177	
	1921	675	21,146	270	566	1187	
	1922	665	20,768	261	562	1167	
	1923	648	20,569	236	556	1151	
	1924	523	19,964	153	437	1080	
	1925	499	19,497	148	415	1043	
	1926	443	18,947	142	366	994	
	1927	390	18,094	134	319	912	
	1928	354	17,417	130	315	849	
National Banks		1,658	80,026	1073	1190	3172	5435
	1919	172	7779	134	126	305	
	1920	181	8024	145	136	331	
	1921	180	8150	143	134	341	
	1922	182	8244	132	133	343	
	1923	184	8236	121	131	344	
	1924	165	8080	93	116	334	
	1925	160	8066	85	111	320	
	1926	157	7972	76	108	298	
	1927	141	7790	74	98	277	
	1928	136	7685	70	97	279	

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4. Managerial incompetence, inadequate earnings, or excessive competition

The annual reports of the State Examiner to the State Banking Board of North Dakota, which are the only reports published by the State Banking Board, contain no information or discussion of the causes of bank failure. An observer of banking conditions in North Dakota, in his address at the North Dakota State Banking Association in 1926, placed relatively little emphasis upon dishonesty and much emphasis upon deflation of agricultural values and excessive competition in his discussion of the causes of bank failure. The following quotations are taken from the address of this observer:

> ....I do not think that corrupt conduct or dishonesty played any material part in bringing about the catastrophe. It is true that the failure of some of the banks was hastened and, perhaps, actually caused, by embezzlements and dishonesty, but such instances are rare; though there were many laws subsequently violated in perhaps mistaken attempts to protect the depositors by keeping the banks from closing.
>
> ..... Beyond controversy, the chief cause was the deflation in values which began during the summer of 1920 and which within the next three years reduced such values at least 50%, bringing financial distress to the agricultural interests and to all activites and business dependent thereon.
>
> ....At high water mark, in December 1920, there were 723 banks and trust companies to a population of 646,000, or an average of one bank for each 800 people, men, women and childred, in the State.
>
> Assuming the normal average of one bread winner to each five inhabitiants, there was one bank for every 160 bread winners; in other words, each group of 160, men or women of earning capacity, was required to support one bank, if the banking business was to prosper; obviously, this was impossible. 1/

~~The annual reports of the State Examiner in North Dakota~~

Causes of failures occurring during the years 1921 to 1930, as reported by the State Examiner on schedules submitted to the Federal Reserve Committee on Branch, Group, and Chain Banking are summarized in Table 8.

1/ George A. Bangs, address at the North Dakota State Bankers Association, June 22, 1926.

The causes specified on these schedules are classified as nearly as possible in accordance with the four categories mentioned above.

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Table 7. CAUSES OF SUSPENSIONS OF GUARANTEED BANKS 1921-1930 AS REPORTED ON SCHEDULES PREPARED BY STATE EXAMINER IN NORTH DAKOTA FOR THE FEDERAL RESERVE COMMITTEE ON BRANCH, GROUP, AND CHAIN BANKING

	Primary cause	Contributing cause
Total number of suspensions, 1921-1930	416	
Dishonesty of officers or employees:		
Defalcation	9	8
Excessive loans to management and collapse of specultaive booms:	-0-	-0-
Regional economic disaster or adverse conditions in specific industries:		
Losses due to unforeseen agricultural or industrial disasters, such as floods, drought, boll weevil, etc.	-0-	-0-
Decline in real estate values	3	33
Managerial incompetence, inadequate earnings, and excessive competition:		
Incompetent management	209	27
Insufficient diversification	-0-	-0-
Causes not readily classified above:		
Heavy withdrawals	59	79
Failure of affiliated institution or correspondent	1	2
Other causes	121	25

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[Worksheet for Table 10]

RECEIPTS, EXPENDITURES, AND DEFICIT OF THE NORTH DAKOTA DEPOSITORS' GUARANTY FUND

	OMIT To Nov. 30, 1930 (from last audit report)[1]	— For Table 10 in North Dakota report
~~Unpaid obligations~~[3] To depositors of failed participating banks		$18,281,634
Receipts		
Assessments on banks	$1,997,230.87	$2,002,031
Assets of failed banks[2] [18133.36 + 7907.99]	26,041.35	26,041
Interest received[2]	24462.79	32,978
Fees received[2]	27987.55	19,483
Total receipts	$2,075,722.56	~~$2,075,722.56~~ $2,080,533
Expenditures[2]		
Paid to depositors		
In two banks paid in full	$187,191.83	$187,192 ~~.83~~
10% dividend	1567826.96	1,577,795 ~~.44~~
1% dividend[3]		73,35~~6.60~~
Total to depositors	$1,755,018.79	$1,838,34~~3.62~~
Administrative expenses[4]	162,576.40 + 20,800[6]	183,376
Uncollectable accounts charged off[5]	58,811.19	58,811 ~~.19~~
Total disbursements	$1,976,406.38	~~2,075,722.56~~ $2,080,533
OMIT Balance		
Reserve for unpaid 10% dividend	56,411.51	
Unexpended balance	42,874.67	

OMIT

(Use audit report figures)

The total ~~fund~~ [Fund (see Table 13)] to depositors in the failed banks was much larger.

1 From Table 11.
2 From Table 12. ~~From Table 13.~~
3 On claims approved for payment from the guaranty fund

OMIT
1 Page 10. Administrative expenses, and total receipts and expenditures adjusted to exclude $447.42 of "refunds of expense".
2 $18133.36 from liquidation of assets of the two banks with insured deposits paid in full, plus $7907.99 refund from receivers for overpayment of small claims (those of $12 or less were paid in full by the fund at time of 10% dividend)
4 Excludes administrative expenses paid from legislative appropriations from the general fund. See also note 1.
5 ~~Paid subsequent~~ to Nov. 30, 1930.

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15 Includes uncollectable accounts charged off as follows:

Assessments due from closed banks	$33,570.22	
Special deposits made to banks that closed	63,804.58	
Expenses and fees charged closed banks by the depositors' guaranty commission	312.47	97,687.27
		40,005.94
Less: remittances from receivers of closed banks in settlement of above accounts		$57,626.33

Compromise settlement of assessments in 2 banks that had returned dividends	$1,345.74	
Less: collections from Bk of N. Dakota collateral	165.45	1,180.29
Misc. adjustments of special dividends		4.57
		58,811.19

16 This is a balancing item, inasmuch as the administrative expenses to Nov. 30, 1930, of $162,576.40 plus $32,000 additional expenses shown in records in the State Examiner's office exceed the fund available from the known receipts (i.e. items to 10-30-30). It is assumed that the balance of the additional expenses were met from appropriations from the general fund.

17 Some interest was mis-classified as fees in the statement of receipts and disbursements from the beginning of the system to 11-30-30, in the last audit report of the fund.

Note Last assessment subject to charge after looking at legislative appropriation and expense items.

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NORTH DAKOTA – Payments to depositors as shown on tabulation of data for individual banks.

	Banks closed in	Deposits paid in full	10% dividend paid	Reserve for 10% dividend charged off	17% dividend paid
1					
2	1919	86561.43			
3	1920	100630.40	195558.44	4225.28	
4	1921		244111.69	6015.44	
5	1922		57556.90	1507.84	
6	1923		549729.83	11975.60	
7	1924		438247.75	17700.94	
8	1925		92590.58	3485.65	6422.41
9	1926			[illegible]	22152.07
10	1927				22981.15
11	1928				12456.16
12	1929				9346.81
13					
14	Total	187191.83	1577795.19	44910.75	73358.60
15			1622705.94		
16					
17	Totals from audit report as of Nov. 30, 1930	187191.83	1567826.96	56441.51	
18			$1624268.47		
19	Audit report total proves over total from individual banks		1562.53		
20					

Total deposits paid from funds:

	187,191.83
	1577795.19
	73358.60
	1838345.62
Deducted in Table 12	1838346.

Money available for payment of 1 percent dividend

Unexpended balance 11-30-30 (audit report)	42874.67
Reserve for unpaid 10% dividend charged off	44910.75
	87785.42

Loss & Expenses of Guaranty Fund Commission for 11-30-30 to 12-30-30 (presumably would include cost and expenses of State Examiner in settling claims and paying 17% dividend – not met from the State appropriation for the

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NORTH DAKOTA

Interest account allocations deduced from trial balances and audit reports

Audit report Total for Nov. 1, 1924 to Nov. 30, 1926	$15,448.23
" Dec. 1926	363.64
	15,811.87
Total assumed for 1925 and 1926 and Nov & Dec 1924	7311.83
Assumed for Nov. Dec 1924	8501.04
" " 1925 and 1926	
Trial balance - second half 1925	1756.25
	1804.02
Trial balance - first half 1926	1135.77
" " - second 1926	2939.79
Total 1926	
Assumed for 1925	5560.25
75-80.04	
1939.79	

Trial balance 12-31-24	$15 745.06
Trial balance 12-31-23	5587.76
Same - amount from audit report for 1918-1923	
Assumed amount for 1924	$10157.30
1924 to Oct 31 (audit report)	2845.47
Assumed for Nov Dec 1924	7311.83

Fee account allocations deduced from trial balances and audit reports

Audit report for Nov. 1. 1924 to Nov 30, 1926	$4426.74
	1801.00
	6227.74
Deduct - assumed in 1924	943.75
Assumed for 1925 and 1926	5283.99
Trial balance - second half 1925	1186.69
Trial balance - first half 1926	737.80
" " - second " 1926	393.50
Assumed for 1926	1131.30
Assumed for 1925	4152.69

Trial balance 12-31-24	$322.99
" " 12-31-23	149.33
Assumed total for 1924	$173.66
Audit report Jan 1-1924 to 10-31-24	769.91
Assumed for Nov Dec 1924	943.75

Audit report for Dec 1, 1928 to Nov. 30, 1930	$2139.50
Assumed for 1929 and 1930	
But see below	
Audit report for Dec 1, 1926 to Nov. 30, 1928	2761.01
Assumed for 1927 and 1928	
Trial balance - first half 1927	1340.87
" " - second " 1927	595.04
Assumed for 1927	1935.91
Trial balance - second half 1928	483.88
Assumed for 1928	825.10

Trial balance 12-22-1930	145.86
" " 12-31-1929	635.16
Assumed for 1930	823.68
~~1929~~	~~2158.24~~
Assumed for 1929	1315.92

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NORTH DAKOTA

Notes on expense adjustments

Administration expense Dec. 1. 1926 to Nov. 30, 1928 as audit report		Transfer to general fund [1]	Deduct Refund Expense [2]	Total for N. Dak. report
Given by months in audit report				2.539.60
Dec. 1926	$ 2539.60		37.50	20.071.30
Jan Dec 1927	18108.80	2.000		17.423.31
Jan - Nov 1928	15423.31	2000		
	$ 36071.71	4.000	37.50	$ 40.034.21

Totals shown for 12-1-26 & 11-30-28

Administration expense Dec 1. 1928 & Nov 30. 1930

Distributed by months				1488.88
Dec. 1928	1,48888		409.92	18972.89
Jan Dec 1929	17.382.81	2.000		15185.51
Jan - Nov. 1930	13,185,51	2000		
	$ 32.057.20	4000	409.92	35647.28

[1] As provided by ch 257 S.L. 1927. This was $2.000 a year to reimburse the State for the services of the State Examiner as secretary of the Commission.

[2] Assumed to have been refunded the next year

NORTH DAKOTA - Administrative expenses of depositors guaranty fund
By 2-year (appropriation) periods.

	For years ended June 30	Appropriation	Unexpended balances	Expenditures from appropriations
1				
2	1918-1919	5,000.00	-28.67	5028.67
3				
4	1920-1921	2,600.00	286.78	2313.22
5				
6	1922-1923	18,825.00	3144.89	15680.11
7				
8	~~1924~~ 1924-1925	18800.00	3973.21	14826.79
9	1924-1925	19450.00	7363.07	20557.83
10	" misc.	39.40	6294.64	
11		less remitted	1882.95	
12		Bal 6-30-25	4411.69	
13	1926-1927 To 11-30-26	2,000.00	To 11-30-26	2604368
14		49,800.00	To 11-30-27	12457.35
15	Trans	481.74	13678.18	
16			remitted	
17	1928-29			
18	July 1, 1926 to 11-30-28	49050.	31308.32	17741.68
19	11-30-28 to 6-30-29		20989.25	10319.07
20			presumably remitted	
21	1929-31 To 11-30-30	32000	20412.01	11587.99
22				
23	~~Subsequently~~			
24	Total to 11-30-30	197525.00		136556.39
25		481.74		
		198046.14		
26	Subsequently [3]	approx.	11200	
27				
28	Total		147756	
29				
30				
31				
32				

All fund expenses (by audit periods)

	assessment fund	from appropriation	Total
~~1918-19~~			
To Oct 31, 1924	40952.40	37848.79	78801.19
11-1-24 to 11-30-26	45942.50	46601.51	92544.02
12-1-26 to 11-30-28	40071.71	30199.03	70270.74
12-1-28 to 11-30-30	36057.20	21907.06	57964.26
Total	163023.81	136556.39	299.580.20
		11200	
Adjustment for expense refunds	447.42		147756
Total (as per table)	162576.39		
~~11-30-30~~ to 11-30-30			
Subsequently	20798.23		
	183375.12		

[3] Estimated from total administrative expenditures of about 32,000 (see notes on depositors guaranty fund records) from 10-30-30 to the 1940's, less $20,800

[1] $3973.21 given in audit report for Oct 31, 1924, excluding 3404.00 described as "unexpended balances rescinded." Figure of $7363.07 given in audit report for Nov. 30, 1926 which is close to total unexpended balance for all previous years, and therefore probably includes the $3404.00 (which may have been reappropriated under Sess. Laws 1925, ch. 18).

[2] Includes $13,231.85 returned to Depositors Guaranty Fund, for expenses previously charged direct to fund as provided by Ch. 185 Laws 1925. This amount is excluded from administrative expenses in tabulation of fund receipts and expenses.

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Detailed table for files – to be condensed for report.

Table 11. RECEIPTS, DISBURSEMENTS, AND BALANCE OF THE NORTH DAKOTA DEPOSITORS' GUARANTY FUND, BY YEARS

+12.

Year.	Receipts: Assessment income and credits: Annual (at ½ of 1%)	Additional (Year now at ½ of 1%)	New banks (2% on 33⅓% capital stock)	Credits refunded on dividends declared & deducted	Net assessments	Assets of failed banks	Interest received	Fees ~~& misc.~~	Total receipts	Disbursements: Bankruptcy of failed banks	Administration & exam expenses	Other disbursements (uncollectable accounts charged off)	Total disbursements	Receipts less expenditures	Balance
1917	$42,973.15	–	–	–	42,973.15	–	–	–	42973.15	–	–	–	–	42973.15	42973.15
1918	47,518.43	–	13.400.00	707.79	60210.64	–	–	–	60210.64	–	–	–	–	60210.64	103183.79
1919	58952.92	–	17.400.00	1521.48	74891.44	–	–	–	74891.44				–	74891.44	178075.23
1920	63269.38	–	5.500.00	6760.33	62009.05	5564.65	530.64	–	68104.34	170506.62	–	–	170506.62	-102402.28	75672.95
1921	50,763.61	240,149.21	1.100.00	7246.65	284766.17	6000.00	4953.95	–	295720.12	10829.14	750.50	–	11579.64	284140.48	359813.43
1922	42.938.96	205347.45	1.200.00	171.45	249314.96	–	39.41	–	249354.37	1692.92	6516.31	–	8209.23	241145.14	600958.57
1923	40.126.25	165,920.89	300.00	1796.17	204575.97	6471.55	63.76	1124.29	212205.57	4163.15	12986.49	–	17149.64	195055.93	796014.50
1924	34.252.87	184714.51	4.800.00	1482.87	222313.51	–	2926.72	7229.91	232470.14	–	20699.10	28873.67	20699.10	211771.04	1007785.54
							731.83	943.75	8255.58		8174.57		8174.57	81.01	1007866.55
1925	36.981.32	173597.14	–	Add 4919.08	255497.54	97.16	5560.25	4152.69	265307.64	560537.72	22925.45		583463.17	-318155.53	689711.02
1926	36.200.78	143.634.06	3.524.48	Add 2141.65 Add 6985.90	185500.97	–	2939.79	1131.30	189572.06	252898.92	14842.49 2539.68	19350.09	270281.01	- 80708.95	609002.07
1927	31.258.57	131.320.59	–	Deduct 1659.43	167906.63	–	2490.12	1935.91	172332.66	451268.06	20071.30		471339.36	-299006.70	309995.37
1928	28.024.05	115.259.98	4,417.00	–	147699.03	–	1463.61	825.10	149987.74	210998.38	17423.37 1488.88	18912.14	229910.57	- 79922.83	230072.54
1929	–	54.757.11	–	Add 2970.10 Deduct 1332.40	44401.81	–	1927.28	1315.82	47644.91	62639.32	1897.89		81612.21	- 33967.30	196105.24
1930	–	–	–	–	–	790.99	2769.91	823.68	11501.58	29484.56	151.85.51	588.11.19	103481.26	- 91979.68	104125.56
1931-32										9968.23	2079.73		104125.56	-104125.56	–
										73358.00					
Total	513,285.29	1,414,698.94	51,201.48	Add 23,845.16	2,002,030.87	26041.35	32977.27	19482.45	2080531.94	1838345.62	183375.13	58811.19	2080531.94	0	

Total assessments levied net – from audit reports:

1917-1924 (Oct. 31, 1924 audit report, p. 19)	1201024.89	18036.20	8514.48	8354.20	1285929.77	18791.83	40952.40
Nov. 1, 1924 to Nov. 30, 1926 (1924-26 " " p. 10)	405648.58	97.16	15478.23	6227.74	427421.71	79168.92	45942.51
Dec. 1, 1926 to Nov. 30, 1928 (1926-28 " " p. 11)	323364.89	–	4317.37	2761.01	330443.27	67230.28	40034.21
Dec. 1, 1928 to Nov. 30, 1930 (1928-30 " " p. 9)	71992.51	7907.99	4697.19	2139.50	86737.19	10383.76	35647.28
Total	2002030.87	26041.35	32977.27	19482.45	2080531.94	175501879	162576.40
Total in statement from beginning of operations to Nov. 30, 1930 (1928-30 audit report, p. 10)	1997230.87	26041.35	24462.79*	27987.55*	2075722.56	175501879	162576.40
Difference	4800.00		8514.48	8505.10	4809.38	Add 9968.23	Add 20798.73
				9.35		1764967.02	183375.13
				17517.48		Add 73358.60	
						1838345.62	

Balance in guaranty fund:

Oct. 31, 1924 (in Oct. 31, 1924 audit report, p. 1)	1007785.54
Nov. 1, 1924 (in 1924-1926 " " p. 10)	1002976.16
Difference (in handwritten note, 1924 " " p. 1)	4809.38
37 assessments	4800.00
misc. charges	9.38

*Statement for either period 11-30-30 attributes both interest and fees to "misc fees". DO NOT USE.

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Table 11. ~~RATES AND AMOUNTS OF~~ ASSESSMENTS AND OTHER ~~CONTRIBUTIONS BY PARTICIPATING BANKS,~~ RECEIPTS OF THE NORTH DAKOTA DEPOSITORS' GUARANTY FUND, BY YEARS, 1917-1929

OMIT

Calendar year	Assessment rate (percent of deposits) 1/	Assessments collected - net income: Total	Assessments levied: Regular	Assessments levied: ~~Special~~ Additional 2/	Credits, refunds and adjustments 3/	Net income from assessments
Total	--	$2,002,031	$513,285	$1,414,699	+ $77,047	
1917	.05	42,973	42,973	--	--	
1918	.05	60,211	47,518	--	+ 12,692	
1919	.05	74,891	58,953	--	+ 15,939	
1920	.05	62,009	63,269	--	- 1,260	
1921	.25	284,766	50,764	240,149	- 6,147	
1922	.25	249,315	42,939	205,347	+ 1,029	
1923	.25	204,546	40,121	165,921	- 1,496	
1924	.30	222,317	34,283	184,715	+ 3,316	
1925	.30	255,498	36,981	173,597	+ 44,919	
1926	.25	185,501	36,201	143,634	+ 5,666	
1927	.25	167,907	31,259	131,321	+ 5,327	
1928	.25	147,699	28,024	115,258	+ 4,417	
1929	.10	44,402	--	54,757	- 10,355	

1/ Regular assessments at 1/20 of 1 percent and special assessments levied (not exceeding 4 per year at same rate). For calendar years, 1924-1925, the number of special assessments was 5 because of change in timing (the maximum of 4 was applied to years ending June 30).

3/ Includes assessments on capital stock of new banks, later adjustments in such assessments, additional assessments levied on banks after closing, refunds of over payments, refunds and cancellations to nationalizing banks, and other adjustments.

Other receipts: Assets of failed banks; Interest; Fees 6/ — Total receipts

1/ At 1/20 of 1 percent of deposits in participating banks

2/ Four assessments in each 12 months ended June 30 (five in 1924 and 1925 because of change in timing of date due).

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To Table 11 | To Table 17 | To Table 17

Table 12. ~~RECEIPTS, DISBURSEMENTS~~ EXPENDITURES AND BALANCE OF THE NORTH DAKOTA DEPOSITORS' GUARANTY FUND, BY YEARS, 1917-1932 AND APPROPRIATED ADMINISTRATIVE EXPENSES

Year	Receipts					Disbursements			Balance at end of year
	Total	Net Assessments	Assets of failed banks 4/	Interest received 5/	Fees 6/	Total disbursements	Payments on deposits of failed banks 4/	Administrative and other expenses 2/	
Total	$2,080,532 3/	$2,002,031	$26,041	$32,977	$19,482	$2,080,532 3/	$1,838,346	$242,185	
1917	42,973	42,973	--	--	--	--	--	--	
1918	60,210	60,210	--	--	--	--	--	--	
1919	74,892	74,892	--	--	--	--	--	--	
1920	68,104	62,009	5,565	531	--	170,507	170,507	--	
1921	295,720	284,766	6,000	4,954	--	11,580	10,829	751	
1922	249,354	249,315	--	39	--	8,209	1,693	6,516	
1923	212,205	204,546	6,472	64	1,124	17,150	4,163	12,986	
1924	240,726	222,314	--	10,239	8,174	28,874	--	28,874	
1925	265,308 7/	255,498 7/	97	5,560	4,153	583,463	560,538	22,925	
1926	189,572	185,501	--	2,940	1,131	270,281	252,899	17,382	
1927	172,333	167,907	--	2,490	1,936	471,339	451,268	20,071	
1928	149,988	147,699	--	1,464	825	229,910	210,998	18,912	
1929	47,645	44,402	--	1,927	1,316	81,612	62,639	18,973	
1930	11,502	--	7,908	2,770	824	103,481	29,485	73,997	
1931-1932	--	--	--	--	--	104,126 1/	83,327	20,799 800	

4/ Amounts for 1920-1921, 1923, and 1925 represent payments by receivers of the two banks the deposits of which were paid in full by the fund.

5/ For the most part represent interest on assessment receipts which had been withdrawn from participating banks and deposited in the Bank of North Dakota for purposes of making payments to depositors in failed banks, but in 1924 includes $5,915 interest on special deposits in banks in difficulty.

6/ Examination fees and other charges which the Commission authorized to levy under the amended act of 1923.

7/ Payments during years 1920-1923, totaling $187,192, were to depositors of two banks the deposits of which were paid in full from the fund. Payments in the years 1925-1930 and a portion of the amount for 1931-1932, totaling $1,764,987, were the 10 percent dividends on guaranteed claims paid depositors of failed banks; $73,359 of the payments in 1931-1932 are the 1 percent dividend upon final closing of fund to depositors of 137 banks.

2/ Includes in 1930, $58,811 of uncollectable accounts charged off. Administrative expenses except for the remainder for that year and all amounts for other years represent administrative expenses paid from Depositors' Guaranty Fund. The figures do not included administrative expenses paid by legislative appropriations from the State's general fund.

3/ Receipts for 1930 are described as follows: "In making payment of the 10 percent general dividend the Commission made payment of all deposits under twelve dollars in full. As the receiver of closed banks subsequently paid his dividend on these claims the amount applying to deposits paid in full was turned into the Guaranty Fund." This represents the amount recovered in this manner as shown by the records." in an audit report of the fund

Table 11

Table 12

Table 17

3/ Paid from appropriations by the Legislature for the Depositors' Guaranty Fund Commission.

4/ From the fund and from legislative appropriations. Excludes the uncollectable account charged off in 1930.

Administrative expenses paid from general fund of the State 3/

Total administrative expenses 4/

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Data for Table 12.

Table 7. ADMINISTRATIVE EXPENSES OF THE NORTH DAKOTA DEPOSITORS GUARANTY FUND

Year	Total	From guaranty fund	From appropriation
~~1919~~ 1920	~~5028.67~~	-	5028.67
~~1920~~ 1921	~~2313.22~~	-	2313.22
1921		750.50	
1922	88171.10	6516.31	15680.11 (1921-23)
1923		12986.49	
1924		28873.67	16022.13 (6/30/23 to 12/31/24) 7826.79, 1195.34
1925	51488.74	22925.45	28563.29
1926	35174.36	17382.09	17792.27
1927	37590.00	20071.30	17518.70
1928	31508.29	18912.19	12596.10
1929	33499.07	18972.89	14526.18
1930	21701.23	15185.51	6515.72
(1931) Subsequently (2)	32000 31998.73	20798.73	11200.
Total	331131.52	183375.13	146756.39

(1) Biennial fiscal ~~year~~ biennium ended June 30

(2) From ~~July 30~~ July 1, 1923 to Dec. 31, 1924.

(3) ~~Expenses Subsequent to 1930~~

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[illegible]

North Dakota. Failed banks for which full or partial payments were made by the guaranty fund.

		Year	No. of bks	2 (revised) Guaranteed deposits (Total recovery from assets, loss to G.F., insured deposits unpaid)	1 Deposits at time of closing	2 ~~DO NOT USE~~ ~~See below~~ Guaranteed deposits [1]	Percentage of all deposits	DO NOT USE	3 Liabilities at date of closing [3]	6 Dividends paid by receiver	Liabilities in excess of dividends by receiver	7 Common claims (FR schedules) [4]
–	–	1917	–		–	–		–	–	–	–	
–	–	1918	–	–	–	–		–	–	–	–	
1	–	1919	1	86,561	105006 ~~200,560~~	86561	43.2	43.2	105006	15042	89964	105006 ~~200560~~
18	–	1920	18	2,098,466	3,478,251	2098466	60.3	60.3	3,906130	342595	3,563535	3478251
35	8	1921	27	2,618,868	4,062,017	2578494	64.5-	63.5-	4,934115	475244	4,458871	3,844115
9	2	1922	7	590,650	1,071,203	590650	55.1	55.1	1,401783	28878	1,372905	1,584752
85	8	1923	77 [2]	5,668,423	9,135,514	5666423	62.0	62.0	12,698203	836768	11,861435	9,552824
66	5	1924	61	4,721,078	6,744,868	4921078	70.0	72.96	9,612434	1,388660	8,223774	6,691451
25	–	1925	25	1,618,636	2,394,923	1618636	67.6	67.6	3,086326	362023	2,724303	2,397967
48	5	1926	43	2,276,128	4,383,171	2276128	51.9	51.9	5,255498	679235	4,576263	4,264697
33	–	1927	33	2,326,464	3,691,402	2331680	63.0	63.2	4,134128	762933	3,371195	3,680211
33	3	1928	30	1,333,692	2,160,270	1333693	61.7	61.7	2,432025	337059	2,094966	2,162648
19	1	1929	18	934,681	1,772,316	993930	52.7	56.1	1,948323	464941	1,483382	1.765346
372	32	Total	340	24,273,647	38,998,941 ~~39,094,495~~	24495739	62.1	62.7	49,513971	5,693378	43,820593	39527268 ~~[illegible]~~

[1] These amounts are guaranteed claims approved by the ~~G.F.~~ Commission. The estimates are derived as follows: deposits paid in the case of two banks paid in full by fund; 10 times the dividends paid or allowed in [201] banks on which a 10% dividend was paid from the fund, and 100 times the dividend paid in [107] banks on which a 1% dividend was paid. See below.

[2] ~~[illegible]~~ for 1924 includes 1 bank with deposits at closing of $4,859 for which no guaranteed claims allowed.

[3] From report by L. R. Baird, Receiver to the State Supreme Court, dated Jan 8, 1937, with adjustments in a few cases where Baird's figure for total liabilities was clearly too small.

[4] For 1919 and 1920 assumed to equal total deposits.

Addition to note 1. A few banks in each of these groups (about a dozen in all) had no payments from the fund because of 100% dividends paid by receiver or liquidator was ~~transferred to a committee of~~ ~~the~~ bank.

Figures for guaranteed deposits in some years were adjusted after the above were taken off. | See new table "Recoveries + losses"

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North Dakota - Recoveries and Losses

Year	No. of bks.	Guaranteed deposits (estimated)	Guaranteed deposits pd. By Fund	Directly from assets (est.)	Recovery by fund	Total recovery from assets	Loss to guaranty fund	Insured deposits unpaid [1]	Sum of last three columns
1917									
1918									
1919	1	86,561	86,561	—	6568	6568	79993	—	86561
1920	18	2,098,466	296,189	220551	11565	232116	284624	1,581726	2,098466
1921	27	2,618,868	244,112	366659	—	366659	244112	2,008097	2,618868
1922	7	590,650	57,557	20422	—	20422	57557	512671	590650
1923	77	5,668,423	549,730	588789	—	588789	549730	4,529904	5,668423
1924	61	4,721,078	438,248	1,165312	—	1,165312	438248	3,117518	4,721078
1925	25	1,618,636	99,013	278941	—	278941	99013	1,240682	1,618636
1926	43	2,276,128	22,152	416119	—	416119	22152	1,837857	2,276128
1927	33	2,326,464	22,981	566078	—	566078	22981	1,737405	2,326464
1928	30	1,333,692	12,456	251536	—	251536	12456	1,069700	1,333692
1929	18	934,681	9,347	279260	—	279260	9347	646074	934681
Total		24,273,647	1,838,346	4,153667	18133	4,171800	1,820213	18,281634	24,273647
				✓	✓		✓	✓	✓

[1] Obtained by subtracting guaranteed deposits paid from estimated guaranteed deposits. Not done on individual bank worksheets.

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NORTH DAKOTA – Losses and recoveries in failed banks closed while guaranty fund was in operation

DO NOT USE

4 5 8

Year	Number of banks	Guaranteed deposits paid: Total	By receiver directly	By fund	Guaranteed deposits not paid (do not use)	Guaranteed deposits paid by receiver: Total	fund	Common claims in excess of dividends by receiver	Secured claims
1917	—	—	—	—	—				
1918	—	—	—	—	—				
1919	1	86,561	—	86561	—	6568	6568		
1920	18	516,740	220551	296189	1,570161	232116	11565		
1921	27	610,771	366659	244112	2,008097			3,368871	564,725
1922	7	77,979	20422	57557	512671			1,555874	4261,483
1923	77	1,138,519	588789	549730	4,529904			8,716056	2,847,137
1924	61	1,603,560	1,165312	438248	3,117518			5,302791	679,526
1925	25	377,954	278941	99013	1,240682			2,035944	831,293
1926	43	438,271	416119	22152	1,837857			3,585462	435,694
1927	38	589,059	566078	22981	1,737405			2,917278	253,152
1928	30	263,992	251536	12456	1,069700			1,825589	170906
1929	18	288,607	279260	9347	646074				
Total	340	~~6,010,146~~ 5,992,013	~~4,171,800~~ 4,153,667	1,838346 ✓	18,277570 / 6010146 / 24287716	18,133 (1921-29)		Total 1921-29: 29307,865	10,043,916

USE ✓

Year	Liabilities at date of closing minus guaranteed deposits	Dividends paid by receiver minus guaranteed deposits paid by receiver	Loss on liabilities other than guaranteed deposits	Common claims minus guaranteed deposits 3/	Loss on common claims other than guaranteed deposits
Cols. number on other sheet →	Col 3 – 2 (revised 1/)	Col 6 – [4+8]		Col 7 – 2	
1919	18,445	8,474	9971	~~11,999~~ 18,445	9971
1920	1,807,664	110,479	1,697185	1,379,785	1,269,306
1921	2,315,247	108,585	2,206662	~~1,265621~~ 1225247	1,116,662
1922	811,133	8,456	802677	994102	985646
1923	7,029,780	247,979	6,781801	~~3886401~~ 3884401	3,636,422
1924	4,891,356	223,348	4,668008	~~1,770373~~ 1970373	1,747,025
1925	1,467,690	83,082	1,384608	779331	696249
1926	2,979,370	263,116	2,716254	1,988569	1,725453
1927	1,807,664	196,855	1,610809	~~1,348531~~ 1353747	1,156,892
1928	1,098,333	85,523	1,012810	828955 (6)	743437 (3)
1929	1,013,642	185,681	827961	830,665	644,984
Total	25,240,324	1,521,578	23,718,746	~~15,349,175~~ 15,253,621	13,732,043

Not used in final North Dakota report; see added note.

Used in final report on North Dakota deposit guaranty system.

Added note: This was used in the 1957 annual report, but the very wrong to put other notes, bills payable, etc. ... it would be better to make it complete.

1/ Revised figures on new table "Recoveries and losses"

3/ Use for loss on uninsured deposits and other liabilities

In 1919 and 1920, total deposits in excess of insured deposits.

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This was retyped with column change as indicated

Table 13. TOTAL DEPOSITS, INSURED DEPOSITS, AND OBLIGATIONS TO DEPOSITORS OF FAILED BANKS, NORTH DAKOTA DEPOSITORS' GUARANTY FUND, BY YEARS 1/

~~Year~~ Banks failed in—	OMIT Total deposits	Insured deposits *	Insured deposit obligations paid and unpaid * Paid directly from liquidation of assets	Paid by fund: Recovered from liquidation of assets	Paid by fund: Not recovered from liquidation of assets (loss to fund)	Unpaid (loss to depositors)
	Insurance on mutual deposits and other common claims					
Total	~~$39,094,495~~ 38,998.941	$24,273,647	$4,153,667	$26,041	$1,812,305	$18,281,634
OMIT 1917	--	--	--	--	--	--
1918	--	--	--	--	--	--
1919	~~200,560~~ 153-006	86,561	--	6,568	79,993	--
1920	3,478,251	2,098,466	220,551	11,565	284,624	1,581,726
1921	4,062,017	2,618,868	366,659	--	244,112	2,008,097
1922	1,071,203	590,650	20,422	--	57,557	512,671
1923	9,135,514	5,668,423	588,789	--	549,730	4,529,904
1924	6,744,868	4,721,078	1,165,312	--	438,248	3,117,518
1925	2,394,923	1,618,636	278,941	--	99,013	1,240,682
1926	4,383,171	2,276,128	416,119	--	22,152	1,837,857
1927	3,691,402	2,326,464	566,078	--	22,981	1,737,405
1928	2,160,270	1,333,692	251,536	--	12,456	1,069,700
1929	1,772,316	934,681	279,260	--	9,347	646,074
~~Subsequently 2/ (1930)~~	~~--~~	~~--~~	~~--~~	7,908	- 7,908	~~--~~

1/ Tabulated from data for the individual failed banks from the records of the Depositor's Guaranty Fund Commission and of L. R. Baird, Receiver, in the office of the State Examiner, and schedules prepared for the Federal Reserve Committee on Branch, Group and Chain Banking.

2/ Not allocable by years.

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Worksheet for Table

TABLE 13. TOTAL DEPOSITS, INSURED DEPOSITS AND OBLIGATIONS TO DEPOSITORS OF FAILED BANKS, NORTH DAKOTA DEPOSITORS GUARANTY FUND, BY YEARS

Banks Failed in — Year	Total deposits	Insured deposits	Insured deposit obligations paid and unpaid: Paid directly from liquidation of assets	Paid by fund: Recovered from liquidation of assets	Paid by fund: Not recovered from liquidation of assets (loss to fund)	Unpaid (loss to depositors)
1917	—	—	—	—	—	—
1918	—	—	—	—	—	—
1919	~~200,560~~ 105006	86,561	—	6568	79993	—
1920	3,478,251	2,098,466	220551	11565	284624	1581726
1921	4,062,017	2,618,868	366659	—	244112	2008097
1922	1,071,203	590,650	20422	—	57557	512671
1923	9,135,514	5,668,423	588789	—	549730	4529904
1924	6,744,868	4,721,078	1,165312	—	438248	3117518
1925	2,394,923	1,618,636	278941	—	99013	1240682
1926	4,383,171	2,276,128	416119	—	22152	1837857
1927	3,691,402	2,326,464	566078	—	22981	1737405
1928	2,160,270	1,333,692	251536	—	12456	1069700
1929	1,772,316	934,681	279260	—	9347	646074
				7908	-7908	
1920-25	38998 941					
Total	~~39044,195~~	24,273,647	4,153667	~~+8133~~ 26041	~~+820213~~ 1,812305	18,281,634

1 Not allowable by years

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Worksheet for 14

Table 14. PERCENTAGE OF DEPOSITS INSURED AND PERCENTAGE OF INSURED DEPOSITS PAID BY GUARANTY FUND AND RECOVERED FROM LIQUIDATION OF ASSETS, BANK FAILURES UNDER THE NORTH DAKOTA DEPOSITORS' GUARANTY FUND, BY YEAR

Year	Percentage of total deposits insured	Percentage of insured deposits				
		Total	Paid directly from liquidation of assets	Paid by guaranty fund: Recovered from assets	Paid by guaranty fund: Not recovered i.e., loss to fund	Unpaid (loss to depositors)
Total	~~62.07~~ 62.24	100.00	17.11	.11	7.47	75.31
1917	—	—	—	—	—	—
1918	—	—	—	—	—	—
1919	~~43.76~~ 82.43	100.00	—	7.59	92.41	—
1920	60.33	100.00	10.51	.557	13.56	75.38
1921	64.47	100.00	14.00	—	9.32	76.68
1922	55.14	100.00	3.46	—	9.74	86.80
1923	62.05	100.00	10.39	—	9.70	79.91
1924	70.00	100.00	24.68	—	9.28	66.03
1925	67.59	100.00	17.23	—	6.12	76.65
1926	51.93	100.00	18.28	—	.97	80.74
1927	63.02	100.00	24.33	—	.99	74.68
1928	61.74	100.00	18.86	—	.93	80.21
1929	52.74	100.00	29.88	—	1.00	69.12
Subsequently (1930)	—	100.00	—	?	?	—

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TABLE 15. ANNUAL ASSESSMENT RECEIPTS, LIABILITY FOR DEPOSITS IN FAILED BANKS, AND CUMULATIVE DEFICIENCY, NORTH DAKOTA DEPOSITORS' GUARANTY FUND

All these columns were revised

Year	Rate of assessment	Assessments collected [1]	Deposit liability of the fund [2]	Cumulative: Assessment receipts	Cumulative: Deposit liability of the fund [3]	Cumulative: Excess of receipts	Cumulative: Deficiency (excess liability)
~~1917~~	~~.05~~	~~42,973~~	—	~~42973~~	—	~~42973~~	—
1918	.10 ~~.05~~ 1/2/23	60,217	—	103184	—	103184	—
1919	.05	74,898	79,993	178075	79,993	98082	—
1920	.05	62,009	1,866,350	240084	1946343	—	1706259
1921	.25	284,766	2,252,209	524850	4198552	—	3673702
1922	.25	249,315	570,228	774165	4768780	—	3994615
1923	.25	204,546	5,079,634	978711	9848414	—	8869703
1924	~~.25~~ .30	~~255,895~~ 222,314	3,555,766	1234606	13404180	—	12169574
1925	~~.25~~ .30	~~255,497~~ ~~202,284~~ 185,501	1,339,695	1436895	14743875 [4]	—	13306980
1926	.25	~~205,124~~ 167,907	1,860,009	1642022	16603884	—	14961862
1927	.25	~~147,699~~ 117,611	1,760,386	1809473	18364270	—	16554797
1928	.25	~~142,154~~ 117,611	1,082,156	1957607	19446426	—	17488819
1929	.10	44,402	655,421	2002009	20101847	—	18099838
Total		2,002,031	20,101,847 revised				

Figures for individual years, make allowance for the recoveries not allocable by years.

[1] Net income from assessments (Table III).

[2] Insured deposits less amounts paid directly from liquidation of assets or recovered by the fund from liquidation of assets (Table 13). The total, but not the ~~3/4~~ allowance for recoveries not allocable by years, which are not taken into account in the figures in this column for 1920-1924.

~~1/2~~ 1/20 of 1 percent for 1917, and 1/20 of 1 percent for 1918.

[3] Deposits paid by the fund adjusted for recoveries by the fund from the liquidation of assets plus deposits unpaid (loss to depositors).

[3] Figures shown for 1920-1924 are before, and those for 1925-1929 after,

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VIII Audit reports

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AUDIT REPORT

DEPOSITORS GUARANTY FUND

STATE OF NORTH DAKOTA

Bismarck, N. D.

October 31, 1924

" LETTER OF SUBMISSION "

Office of Commission

Temple Brissman & Co.
Certified Public Accountants
St. Pal Minneapolis
Washington, D. C.
Fargo, N.D.

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TEMPLE, BRISSMAN & CO.
CERTIFIED PUBLIC ACCOUNTANTS
SAINT PAUL MINNEAPOLIS
FARGO, N. D. WASHINGTON, D.C.

Saint Paul, Minnesota,
December 29-1924.

Depositors Guaranty Fund Commission,

Bismarck, North Dakota.

Dear Sirs:-

Agreeable with your directions we have audited the accounts of

THE DEPOSITORS GUARANTY FUND

from the inaugeration of the fund to October 31-1924, and we submit herewith the Report thereof together with Statements, and a discussion of the results of the audit, as follows:-

Statement: Of Fund at October 31-1924, supported by Details 1-8 G inclusive.

Review of Examination: Wherein is discussed the details of the audit and sundry information relative thereto.

Comments: Attention is directed to the fact that the amount of Liability of the Commission had not been determined at the date of the audit, and no amount is expressed in the Statement covering the Liability of the Fund to Depositors of Closed Banks, as such determination was not contemplated as being within the scope of this audit.

The amount available for the purposes of the Fund was about $800,000.00 exclusive of Deposits in Closed Banks aggregating some $200,000.00.

Acknowledgments:

Acknowledgment is made that every facility and courtesy was afforded during the progress of this examination.

Respectfully Submitted,

TEMPLE, BRISSMAN & CO.
Certified Public Accountants.

By Herbert W. Brissman
C.P.A.

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* * * * *

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" STATEMENTS "

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TEMPLE, BRISSMAN & CO.
CERTIFIED PUBLIC ACCOUNTANTS
SAINT PAUL MINNEAPOLIS
FARGO, N. D. WASHINGTON, D.C.

STATEMENT

DEPOSITORS GUARANTY FUND

STATE OF NORTH DAKOTA

BISMARCK, N. D.

October 31-1924

RESOURCES:

	Detail			
Revolving Fund Banks	1	$207 134.12		
Special Deposit Banks Open	2	21 515 26		
Assessments due from Open Banks	3	563 239 48		
U.S.Certificates of Indebtedness 4-1/4% due 12/15-1924		15 009 38	$806 898.24	
Special Deposit Banks Closed	2	$112.966.29		
Assessments due from Closed Banks	4	89 303 25		
Notes Receivable Closed Banks	5	2 341 99	204 611 53	

LIABILITIES:

Warrants Payable	6	$2 054.46	
Vouchers Payable	7	1 669 77	$3 724.23
Assessment Fund	8		1.007.785.54
			$1 011 509.77 $1 011 509.77

" CERTIFICATE "

We hereby certify, that we have audited the records and accounts of the Depositors Guaranty Fund of the State of North Dakota for the period from the opening of Guaranty Fund Records, April 16-1918 to October 31-1924 inclusive, and subject to record values of Unpaid Assessments, and Notes of and Deposits in Closed Banks, we certify that, in our opinion, the foregoing Statement prepared from their records, is properly drawn up to present a correct view of the Depositors Guaranty Fund at October 31-1924.

TEMPLE, BRISSMAN & CO.
Certified Public Accountants.
By Herbert W. Temple
C.P.A.

Saint Paul, Minnesota,
December 10-1924.

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DETAIL 1

REVOLVING FUND BANKS

Bank of North Dakota, Bismarck	$194 809.65
" " " " Collections on Williams Co. State Bank, Williston - Collateral	3 601 61
Capital Security Bank, Bismarck	8 722 86
Amount to Statement	$207 134.12

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DETAIL 2

SPECIAL DEPOSIT BANKS

Bank		(Date closed from 1439 and request)	Deposits	Interest on Deposits	Other Charges	Withdrawals	Realization of Collateral	Balance Open Banks	Balance Closed Banks	Withdrawals since 10/31-24
First State Bank	Calvin	6-3-29	✓ $5 000.00	$117.92				$5 117.92 ✓		$5 117.92
State Bank of Hannah	Hannah	11-29-27	✓ 1 500 00					1 500 00 ✓		1 500 00
Scandinavian American Bank	Minot	10-16-24	31 922 13			$21 522.13		10 400 00		4 658.62
Merchants State Bank	Sarles	11-22-27	✓ 1 500 00					1 500 00 ✓		1 500 00
Underwood State Bank	Underwood	11-4-26	4 000 00				$1 002.66	2 997 34 ✓		2 997 34
Clyde State Bank	Clyde	1-30-24	✓ 5 000 00 ✓						$5 000.00 ✓	
Bank of Cogswell	Cogswell	Repaid	5 000 00			5 000 00				
Farmers Bank of Dunn Co.	Dunn Center	8-4-23	2 500 00 ✓				1 348 24		1 151 76 ✓	
Farmers State Bank of East Fairview	East Fairview	7-1-24	1 500 00				804 80		695 20 ✓	
Sawyer State Bank	Sawyer	7-21-21	14 336 97				1 335 95		13 001 02 ✓	844 90
Williston State Bank	Williston	4-4-21	11 034.34 ✓						11 034 34 ✓	
Farmers Bank of Garrison	Garrison	Repaid	1 000 00			1 000 00				
State Bank of Grenora	Grenora	11-14-23	12 000 00 ✓		* $2.28		5 011 74		6 990 54 ✓	430 55
Farmers Bank	Hampden	5-12-24	2 000 00						2 000 00 ✓	
Security State Bank	Hanks	2-29-24	8 000 00 ✓				1 370 42		6 629 58 ✓	
State Bank of Maxbass	Maxbass	1-22-24	10 000 00 ✓				708 44		9 291 56 ✓	
Farmers State Bank	Nome	11-23-22	10 000 00				937 47		9 062 53 ✓	25 25
" " "	Rawson	1-14-24	2 000 00				806 00		1 194 00 ✓	372 28
Farmers Bank of Ray	Ray	8-9-23	700 00						700 00 ✓	
Farmers & Merchants State Bank	Sherwood	1-26-24	13 562 13						13 562 13 ✓	519 30
Tolley State Bank	Tolley	11-10-20	15 000 00				3 872 27		11 127 73 ✓	931 05
Farmers State Bank	Watford City	12-13-23	400 00				272 49		127 51 ✓	4 34
Williams Co. State Bank	Williston	4-4-21	25 000 00				3 601 61		21 398 39	
State Bank of Bowman	Bowman	11-29-23	10 000 00	1 450 00	+784 55		12 234 55			
			$192 955.57	$1 567.92	$786.83	$27 522.13	$33 306.64			
Amounts to Statement								$21 515.26	$112 966.29	$18 901.55

15,773.88

Remarks:

* Protest Fees

\+ Refund to Receiver

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DETAIL 3

BALANCE OF ASSESSMENTS DUE FROM OPEN BANKS

State Bank of Abercrombie,	Abercrombie	$1 221.80
Scandia American Bank,	Adams	1 019 31
Security State Bank,	"	1 293 96
First State Bank of Adrian,	Adrian	701 26
" " " " Alamo,	Alamo	450 00
" " "	Alexander	2 000 26
" " "	Alfred	990 40
State Bank of Alice,	Alice	668 90
First State Bank of Alkabo,	Alkabo	571 93
Farmers " " " Almont,	Almont	537 88
" " " " Alsen	Alsen	524 82
Citizens " "	Ambrose	735 78
Farmers " "	"	220 48
The Amenia State Bank,	Amenia	358 24
Farmers State Bank,	Anamoose	1 212 96
Farmers and Merchants Bank,	Anita	628 02
Peoples State Bank,	"	732 05
Citizens " "	Antler	413 88
Union Bank of Antler,	"	450 00
Appam State Bank,	Appam	483 06
State Bank of Ardock,	Ardock	592 27
Arena State Bank,	Arena	222 33
Argusville State Bank,	Argusville	854 21
Farmers State Bank,	Arnegaard	1 322 22
" " "	Arthur	441 75
First " "	"	849 70
Arvilla " "	Arvilla	1 077 20
Ashley " "	Ashley	2 191 63
First " "	"	1 482 20
State Bank of Aurelia,	Aurelia	715 03
Ayr State Bank,	Ayr	565 81
First " "	Backoo	641 42
Farmers State Bank,	Baker	553 91
" " "	Baldwin	818 56
Balfour " "	Balfour	697 62
Pierce Co. State Bank	Balta	454 59
Union Bank,	Bantry	526 62
Farmers State Bank,	Barlow	554 24
Bank of Barney	Barney	690 72
Bartlett State Bank,	Bartlett	718 46
Farmers and Merchants Bank,	Barton	594 06
First State Bank,	"	873 51
Farmers " "	"	663 86
Farmers and Merchants Bank,	Beach	1 872 37
Golden Valley State Bank,	"	1 618 82
Citizens State Bank,	Belfield	508 24
Farmers " "	Bently	659 29
" Bank of Bergen,	Bergen	591 44
Farmers and Merchants State Bank,	Berlin	834 23
Bank of Berthold,	Berthold	978 48
State Bank of Berthold,	"	1 968 70
Berwick State Bank,	Berwick	527 81

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DETAIL 3 - Continued

First State Bank of Beulah,	Beulah	$1 789.10
German " "	"	757 92
First " " " Binford	Binford	735 56
Citizens State Bank,	Bisbee	770 15
Bismarck Bank,	Bismarck	4 186 08
Capital Security Bank,	"	1 680 23
First Guaranty Bank,	"	2 194 38
Blabon State Bank,	Blabon	767 13
First State Bank,	Blanchard	256 88
Bordulac State Bank,	Bordulac	959 48
Farmers and Merchants State Bank,	Bowdon	2 205 78
First State Bank,	Bowesmont	831 65
Emmons Co. State Bank,	Braddock	727 69
Farmers State Bank,	"	562 14
" " "	Brampton	401 66
State Bank of Bremer,	Bremer	915 80
Citizens State Bank,	Brinsmade	2 292 19
First State Bank,	Brisbane	756 31
Farmers and Merchants Bank,	Brocket	421 05
State Bank of Brocket,	"	1 188 87
Buchanan State Bank,	Buchanan	911 80
Bucyrus " "	Bucyrus	1 001 31
First State Bank,	Buford	870 28
" " "	Burlington	847 95
" " "	Burnstad	1 002 03
Burt " "	Burt	591 15
Farmers " "	Butzville	1 366 97
" " "	Buxton	937 64
" and Merchants State Bank,	Calio	1 508 05
First State Bank,	Calvin	979 41
Peoples Bank of Calvin,	"	1 120 67
Foster County State Bank,	Carrington	1 655 96
Carson State Bank,	Carson	646 82
First " " of Carson	"	726 78
Cathay State Bank,	Cathay	122 16
Farmers " "	"	1 257 53
Merchants and Farmers Bank,	Cavalier	279 33
First State Bank,	Center	450 00
Farmers Security Bank,	Chaffee	1 434 61
Commercial State Bank,	Sanish	494 25
Chaseley Commercial State Bank,	Chaseley	469 30
Farmers " " "	Christine	1 898 43
Farmers and Merchants Bank,	Clemensville	630 02
Cleveland State Bank,	Cleveland	842 06
Clifford State Bank,	Clifford	1 100 77
Bank of Cogswell,	Cogswell	166 75
Farmers State Bank,	Coleharbor	1 369 31
Northwestern State Bank,	"	988 31
First State Bank,	Colfax	1 612 87
Farmers " "	Colgan	540 17
Colgate " "	Colgate	353 72
Farmers " "	Columbus	1 612 21
First " "	"	711 02
" " "	Concrete	270 34
Bank of Conway	Conway	656 43

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DETAIL 3 - Continued

Farmers Security Bank,	Conway	$363.81
Farmers and Merchants Bank,	Cooperstown	1 150 43
State Bank of Cooperstown,	"	1 520 41
First State Bank,	Corinth	732 55
" " "	Coteau	790 48
Coulee Dairy Bank,	Coulee	525 09
Crete State Bank,	Crete	620 19
First Security State Bank,	Crosby	2 279 59
Crystal State Bank,	Crystal	452 95
Cummings " "	Cummings	892 48
First State Bank,	Dahlen	975 17
Farmers " "	Danzig	822 58
Farmers and Merchants State Bank,	Davenport	1 409 16
Security State Bank,	Dazey	765 18
Deering State Bank,	Deering	1 287 76
First State Bank,	Denhoff	940 22
State Bank of Des Lacs,	Des Lacs	1 342 54
Devils Lake State Bank,	Devils Lake	2 140 79
Farmers and Merchants Bank,	Dickey	752 87
" State Bank,	Dickinson	1 148 40
Dodge " "	Dodge	780 87
Farmers " "	Dodge	1 289 53
First " "	Dogden	957 95
Citizens " "	Douglas	679 52
Douglas " "	"	971 75
Bank of Doyon,	Doyon	543 43
Farmers State Bank,	Drake	980 74
Citizens Bank,	Dayton	2 105 91
State Bank of Dresden,	Dresden	826 98
Farmers and Merchants State Bank,	Driscoll	1 105 32
Union Bank of Dunn Center,	Dunn Center	450 00
Security State Bank,	Dunseith	1 822 45
First " "	Dwight	499 27
Eckelson " "	Eckelson	753 78
First State Bank, Eckman - now, Citizens,	Lansford	380 72
State Bank of Edinburg,	Edinburg	1 236 23
Security State Bank,	Edmore	1 463 95
First State Bank,	Edmunds	610 01
Eldridge " "	Eldridge	694 82
Elgin " "	Elgin	883 91
First " "	"	787 20
Embden " "	Embden	582 92
Guaranty " "	Emerado	245 40
Citizens " "	Enderlin	2 822 65
Enderlin " "	"	2 652 14
Peoples Bank of Enderlin,	Enderlin	359 63
First State Bank,	Englevale	516 38
Citizens Bank,	Epping	936 18
Farmers State Bank,	Erie	651 85
Esmond " "	Esmond	504 35
First International Bank,	"	767 99
Farmers State Bank,	Fairdale	972 02
Falkirk State Bank,	Falkirk	880 39
Farmers " "	Falsen	693 14
Northern Trust Co.	Fargo	2 674 40
Northwestern Mutual Savings and Loan Ass'n.	Fargo	12 892 84

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DETAIL 3 - Continued

Wells Co. State Bank,	Fessenden	$2 158.17
State Bank of Finley,	Finley	1 094 43
Flasher State Bank,	Flasher	993 99
Security " "	"	789 76
First State Bank,	Flaxton	1 495 07
Flora " "	Flora	822 43
Farmers " "	Forbes	868 15
Forbes " "	"	1 060 95
Farmers and Merchants State Bank,	Fordville	1 062 95
First State Bank,	"	786 30
Forest River State Bank,	Forest River	1 074 04
Farmers State Bank,	Forman	862 68
Citizens " "	Fort Rice	778 29
First International Bank,	Fortuna	872 64
" State Bank,	Fort Yates	623 97
Foxholm " "	Foxholm	1 083 68
First " "	Fredonia	447 74
German " "	"	836 99
First " "	Fryburg	321 76
Farmers " " of Fullerton,	Fullerton	586 61
Logan County "	Gackle	1 910 63
State Bank of Gackle,	"	1 055 02
Galchutt State Bank,	Galchutt	1 170 68
Galesburg " "	Galesburg	1 198 28
Gardar " "	Gardar	785 95
State Bank of Gardner,	Gardner	722 34
Farmers State Bank of Garrison,	Garrison	1 192 60
First " " " "		1 300 17
Bank of Garske,	Garske	1 423 57
First State Bank,	Gascoyne	793 44
Genesco " "	Genesco	1 123 26
Bank of Gilby,	Gilby	1 844 58
Farmers State Bank,	Gladstone	202 29
Gladstone " "	"	913 81
Lincoln " "	Glenburn	1 208 60
First " "	Glenfield	940 92
Farmers " "	Glen Ullin	1 577 28
Merchants " "	" "	1 335 74
Farmers Bank,	Golden Valley	667 42
First State Bank,	Golra	634 03
Citizens " "	Goodrich	1 368 10
Farmers and Merchants Bank,	Grace City	631 25
First State Bank,	" "	1 033 24
Scandinavian American Bank,	Grafton	3 101 93
Northern State Bank,	Grand Forks	6 338 44
Northwestern Trust Company,	" "	764 80
Guaranty State Bank,	Grandin	1 047 39
State Bank of Grand Rapids,	Grand Rapids	559 45
Citizens State Bank,	Grano	888 76
Farmers and Merchants State Bank,	Granville	1 404 61
First State Bank,	Grassy Butte	692 09
Farmers State Bank,	Great Bend	817 50
Northwestern State Bank,	Grenora	313 62
Guelph State Bank,	Guelph	762 45
State Bank of Guthrie,	Guthrie	83 05

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DETAIL 3 - Continued

Farmers State Bank,	Gwinner	$835.46
Gwinner " "	"	1 571 89
First " "	Hague	1 777 05
Farmers " "	Halliday	820 62
Security " "	"	448 78
First " "	Hamar	1 287 55
Bank of Hamilton,	Hamilton	1 034 91
First State Bank,	Hamlet	989 26
Farmers and Merchants Bank,	Hankinson	834 99
" " " "	Hannaford	1 621 00
State Bank of Hannah,	Hannah	2 313 42
Bank of Hansboro,	Hansboro	1 023 52
Hansboro State Bank,	"	847 60
Hartland " "	Hartland	576 29
Farmers " "	Harvey	1 258 39
State Guaranty "	Harvey	870 22
Harwood State Bank	Harwood	589 00
First " "	Hastings	1 245 04
Farmers " "	Havana	612 69
Havana " "	"	1 346 83
Bank of Hazelton,	Hazelton	1 812 58
Farmers State Bank,	"	1 618 49
" " "	Heaton	782 50
" " "	Hebron	663 57
Merchants " "	"	1 313 43
Farmers " "	Heil	622 26
State Bank of Heimdal,	Heimdal	934 58
Adams Co. State Bank,	Hettinger	1 364 77
Peoples State Bank,	Hillsboro	1 660 25
Honeyford " "	Honeyford	626 25
State Bank of Hoople,	Hoople	2 620 62
Farmers State Bank,	"	601 40
The Farmers and Merchants Bank,	Hurdsfield	894 43
Bank of Inkster,	Inkster	1 414 31
Farmers and Merchants State Bank,	"	964 08
Security Savings Bank,	Jamestown	928 91
State Bank of Jessie,	Jessie	806 90
First State Bank,	Juanita	582 10
First State Bank,	Judson	775 93
Security " "	Karlsruhe	817 78
Sheyenne Valley Bank,	Kathryn	1 758 37
First State Bank,	Kempton	660 95
Farmers and Merchants Bank,	Kensal	994 93
First State Bank,	Kief	845 21
Farmers and Merchants Bank,	Kindred	2 249 68
Kindred State Bank	"	2 020 25
Kintyre State Bank,	Kintyre	1 163 30
Security " "	"	715 10
First " "	Kloten	736 78
Farmers " "	Knox	890 90
Peoples " "	"	463 53
Konsberg State Bank	Konsberg	329 57
Security " "	Kreno	972 37
First " "	Kulm	1 292 51
Farmers " "	Lake Williams	177 69
" and Merchants State Bank,	Lakota	2 503 68
La Moure State Bank,	La Moure	1 052 84
First International Bank,	Landa	1 151 06
Citizens State Bank,	Langdon	3 539 19

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DETAIL 3 - Continued

State Bank of Langdon,	Langdon	$750.00
Citizens State Bank,	Lankin	1 365 47
First " "	"	1 320 14
Elk Valley Bank,	Larimore	1 673 15
Security State Bank,	Lawton	367 14
Lefor State Bank,	Lefor	582 78
Farmers and Merchants Bank,	Lehr	1 097 60
State Bank of Lehr,	"	799 98
Farmers State Bank,	Leith	740 70
Farmers Bank,	Leonard	2 137 43
First State Bank,	Lignite	1 129 91
Lincoln Valley State Bank,	Lincoln Valley	896 63
Peoples State Bank,	Linton	613 06
State Bank of Lisbon,	Lisbon	2 853 04
First State Bank,	Loma	927 35
Mountrail Co. State Bank,	Lostwood	464 68
First State Bank,	Lucca	515 60
" " "	Ludden	795 29
Farmers " "	Lunds Valley	409 96
Luverne " "	Luverne	1 932 81
Pioneer " "	"	687 61
Bank of McCanna,	McCanna	584 16
Sheridan Co. State Bank,	McClusky	847 19
McGregor State Bank,	McGregor	1 107 41
Farmers and Merchants Bank,	McHenry	928 56
McKenzie State Bank,	McKenzie	633 32
McLeod " "	McLeod	762 66
State Bank of McVille,	McVille	1 437 72
Farmers State Bank,	Maddock	3 047 35
Reservation State Bank,	Makoti	1 253 31
Farmers " "	Mandan	2 991 79
First " "	Manfred	820 13
Farmers and Merchants Bank,	Manitou	310 03
* Farmers State Bank,	Mantador	905 85
Guaranty " " of Mantador	"	406 26
First " "	Manvel	845 13
Farmers " "	Mapes	173 19
Mapleton " "	Mapleton	755 73
Marion " "	Marion	1 169 36
Stockgrowers Bank,	Marmarth	780 44
Martin State "	Martin	1 207 15
First " "	Max	1 102 42
Maxbass Security Bank,	Maxbass	543 64
Goose River Bank,	Mayville	3 894 72
Maza State Bank,	Maza	266 04
Security State Bank,	Medina	978 47
Stockmens State Bank	Medora	782 02
Mekinnock " "	Mekinnock	735 43
Bank of Melville,	Melville	724 22
First State Bank,	Mercer	815 17
Mercer " "	"	704 61
First " "	Merricourt	710 09
Michigan City Bank,	Michigan	1 411 29
Millarton State Bank,	Millarton	468 75
Minnewaukon State Bank,	Minnewaukon	897 78
Citizens Bank of Minot,	Minot	2 146 89
First International Bank,	"	2 215 61
Scandinavian American Bank,	"	3 796 23

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DETAIL 3 - Continued

Bank of Minto,	Minto	$1 608.88
First State Bank of Minto	"	886 71
Moffit " "	Moffit	524 54
American " "	Mohall	315 87
Bank of Monango,	Monango	1 260 90
Montpelier State Bank,	Montpelier	654 00
Farmers State Bank,	Mooreton	590 74
State Guaranty Bank,	Mott	1 990 63
Mountain State Bank,	Mountain	958 98
Farmers Bank of Munich,	Munich	2 840 80
First State Bank,	Niglo	923 75
State Bank of Nanson,	Nanson	606 64
Merchants Bank,	Napoleon	585 53
State Bank of Nekoma	Nekoma	872 15
Farmers and Merchants State Bank,	New England	1 696 98
New England State Bank,	"	291 22
Farmers State Bank,	New Leipzig	1 046 00
First " "	"	981 93
New Leipzig State Bank,	"	870 09
Farmers and Merchants State Bank,	New Salem	1 724 95
State Bank of New Salem,	"	3 828 35
Union Farmers State Bank,	"	1 334 70
Bank of Niagara,	Niagara	1 390 24
Security State Bank,	"	819 93
Farmers and Merchants State Bank,	Niobe	637 58
Nome State Bank,	Nome	450 00
Farmers State Bank,	Noonan	614 09
First International Bank,	"	1 844 00
Security State Bank,	"	2 121 15
Norma State Bank,	Norma	1 270 63
First " "	Northgate	665 35
Nortonville State Bank,	Nortonville	761 27
Bank of Oberon,	Oberon	1 421 75
Security Bank,	Orr	175 09
Farmers State Bank,	Orrin	272 09
Security State Bank,	Overly	362 26
Farmers State Bank,	Page	1 315 47
Scandia American Bank,	Palermo	528 31
Farmers Security Bank,	Park River	1 531 05
Farmers Exchange Bank,	Parshal	1 589 64
Peoples State Bank,	"	741 06
Bank of Pekin	Pekin	1 205 40
Merchants Bank of Pembina,	Pembina	2 426 29
Penn State Bank,	Penn	806 25
Bank of Perth,	Perth	1 323 07
Towner County Bank,	"	1 048 90
Farmers State Bank,	Petersburg	1 117 21
Pettibone State Bank,	Pettibone	809 88
Pingree " "	Pingree	563 06
Pisek " "	Pisek	1 376 77
Pioneer " "	Plaza	1 606 06
Union Bank of Portal,	Portal	600 00
First State Bank,	Powers Lake	1 500 78
State Bank of Powers Lake	"	1 805 38
First Security Bank,	Raleigh	584 80
Pioneer State Bank,	Raub	539 80
First State Bank,	Ray	1 020 64

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DETAIL 3 - Continued

Linville State Bank,	Ray	$789.45
* Farmers & Merchants State Bank,	Reeder	720 67
First State Bank,	"	2 019 36
" " "	Regan	645 68
Regan State Bank,	"	679 63
First " "	Regent	1 084 50
State Bank of Revere	Revere	337 25
State Bank of Reynolds	Reynolds	2 688 75
Bank of Rhome	Rhome	394 23
First State Bank of Rhome	"	1 219 72
Farmers State Bank,	Richardton	1 143 40
Merchants " "	"	3 319 70
Security " "	Robinson	179 61
Rock Lake " "	Rock Lake	841 48
First " "	Rogers	1 944 52
Rolette " "	Rolette	1 104 55
Farmers and Merchants Bank	Rolla	876 95
Roseglen State Bank,	Roseglen	541 70
State Bank of Ross,	Ross	890 83
State Bank of Roth,	Roth	555 86
Citizens State Bank,	Rugby	1 276 77
Merchants Bank,	Rugby	1 455 71
Security Bank of Rugby,	"	1 859 82
First State Bank,	Rutland	1 049 93
" " "	Ryder	860 99
St. John State Bank,	St. John	563 24
Farmers State Bank,	St. Thomas	1 775 45
Farmers Exchange State Bank,	Sanger	544 01
Merchants State Bank,	Sarles	1 187 41
Bank of Scranton	Scranton	942 88
Citizens State Bank,	Selfridge	760 18
Selfridge " "	"	441 34
Farmers " "	Selz	947 46
Interstate Bank of Billings Co.	Sentinel Butte	618 31
Citizens State Bank,	Sharon	48 62
Farmers " "	Sheldon	1 431 74
First International Bank,	Sherwood	1 980 37
Farmers and Merchants Bank,	Sheyenne	3 715 44
Shields State Bank,	Shields	614 52
First State Bank,	Silva	542 15
Solen " "	Solen	1 072 66
State Bank of Souris,	Souris	1 055 08
Southam State Bank,	Southam	548 50
South Heart State Bank,	South Heart	688 80
Spiritwood " "	Spiritwood	866 95
Citizens State Bank,	Stanley	2 229 69
First " "	Stanton	1 603 87
Union " "	Hazen	841 15
Farmers Bank of Starkweather,	Starkweather	789 93
State " " "	"	567 86
Kidder Co. Bank,	Steele	662 83
Sterling State Bank,	Sterling	900 07
Stirum " "	Stirum	910 25
First " "	Strasburg	2 297 39
Security " "	"	2 385 50
First " "	Surry	881 80
Citizens " "	Sutton	1 507 58

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DETAIL 3 - Continued

Farmers State Bank,	Sutton	$888.14
Citizens " "	Sykeston	777 71
Sykeston " "	"	981 17
Tappen " "	Tappen	978 33
Taylor " "	Taylor	119 31
Security " "	Temple	369 31
Templeton " "	Temvik	1 049 93
Farmers and Merchants Bank,	Tioga	779 80
Tioga State Bank,	"	1 155 04
Tokio " "	Tokio	584 06
Security State Bank,	Tolley	107 68
Farmers and Merchants State Bank,	Tolna	951 50
Pioneer State Bank,	Towner	627 07
Towner Merchants Bank,	"	756 82
Towner State Bank,	"	325 81
First " "	Turtle Lake	1 522 14
Tuttle " "	Tuttle	641 05
Security " "	Underwood	1 587 77
Underwood State Bank,	"	1 162 62
Farmers Equity State Bank,	Upham	568 95
Security State Bank,	"	1 522 60
American Exchange Bank,	Valley City	3 213 11
Bank of Valley City,	"	1 959 68
Middlewest Trust Corp.	"	2 264 95
Farmers State Bank,	Van Hook	1 138 97
First State Bank,	Velva	1 315 66
Peoples State Bank,	"	505 76
First " "	Venturia	1 328 42
Farmers and Merchants State Bank	Verona	643 24
State Bank of Verona	Verona	922 07
Voss State Bank,	Voss	228 83
Farmers and Merchants State Bank,	Wahpeton	1 233 93
Wahpeton State Bank,	"	1 109 78
First " "	Walcott	2 461 71
Citizens " "	Wales	1 200 97
State Bank of Wales	"	1 598 36
Citizens Bank of Walhalla	Walhalla	3 154 83
Farmers and Merchants Bank,	Warwick	1 692 71
Security State Bank,	"	319 31
Farmers Security Bank,	Washburn	685 93
Washburn State Bank,	"	861 82
First State Bank,	Watford City	1 191 91
Security State Bank,	"	325 60
Bank of Webster,	Webster	963 75
Farmers State Bank,	Wellsburg	638 86
First State Bank,	Werner	815 25
Bank of Westhope,	Westhope	842 58
Peoples State Bank,	"	890 48
Farmers " "	Wheatland	554 69
State Bank of Wheatland	"	395 22
Citizens State Bank,	Wheelock	731 72
First " "	"	289 34
" " "	White Earth	957 29
Lambs Bank,	Whitman	1 234 25
Security State Bank,	Wildrose	1 041 60
Commercial State Bank,	Williston	1 200 00

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DETAIL 3 - Continued

The Wilton Bank,	Wilton	$1 400.86
Farmers State Bank,	Windsor	517 85
Burleigh Co. State Bank,	Wing	722 41
Farmers State Bank,	"	419 30
First State Bank,	Wishek	1 366 63
Security State Bank,	"	1 265 40
Farmers " "	Walford	164 68
Farmers State Bank,	Woodworth	1 099 63
Bank of Wyndmere,	Wyndmere	2 368 44
Bank of York,	York	1 032 23
York State Bank,	"	1 015 01
Farmers " "	Ypsilanti	563 66
First " "	Zahl	472 69
State Bank of Zahl,	"	504 45
First State Bank,	Zap	868 64
German State Bank,	Zeeland	1 193 80
Zeeland " "	"	2 782 81
	Amount to Statement	$563 239.48

Remark: * Banks closed since October 31-1924.

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DETAIL 4

BALANCE OF ASSESSMENTS DUE FROM CLOSED BANKS

Name		Balance 10/31-24	Receipts since 10/31-24
Farmers State Bank	Alamo	$2 096.20	
First State Bank	Amidon	379 20	
Slope County State Bank	"	-	
State Bank of Antler	Antler	1 776 51	
Baldwin State Bank	Baldwin	728 78	
American State Bank	Balfour	611 57	$611.57 SR 341
State Bank of Bantry	Bantry	-	
Citizens State Bank	Bathgate	-	
First State Bank	Benedict	603 67	603 67 SR 378
Security State Bank	"	249 05	
First State Bank	Bergen	-	
Blaisdell State Bank	Blaisdell	457 45	
Security State Bank	Bonetraill	216 49	
Bottineau County Bank	Bottineau	820 65	
Burke Co. State Bank	Bowbells	706 30	
First State Bank	"	600 73	
Farmers & Mechanics State Bank	Bowman	-	
State Bank of Bowman	"	-	
Farmers State Bank of	Brantford	678 84	
American State Bank	Burlington	1 527 30	
Bank of Carbury	Carbury	579 69	579 69 SR 379
First State Bank of Carpio	Carpio	-	
Commercial State Bank	Carrington	-	
First State Bank	Cartwright	-	
Peoples State Bank	Casselton	77 46	
Cayuga State Bank	Cayuga	804 06	
Bank of Oliver County	Center	-	
Farmers State Bank	Charboneau	331 70	331 70 SR 344
Farmers Bank of McKenzie Co.	Charlson	300 00	
Farmers State Bank	Churchs Ferry	-	
First State Bank	Cleveland	-	
Clyde State Bank	Clyde	657 99	
Cogswell State Bank	Cogswell	567 79	
Farmers & Merchants Bank	"	1 925 05	
Stutsman Co. Bank	Courtenay	-	
Farmers Bank	Crary	797 20	797 20 SR 392
Farmers State Bank	Dawson	-	
First State Bank	"	-	
Dazey State Bank	Dazey	404 39	
Security State Bank	Deering	809 35	809 35 SR 376
De Lamere State Bank	De Lamere	1 061 75	
Farmers Bank of Derrick	Derrick	196 06	196 06 SR 393
Driscoll State Bank	Driscoll	-	
Farmers Bank of Dunn Center	Dunn Center	552 65	
First State Bank	Dunn Center	669 70	
Dunseith State Bank	Dunseith	111 60	
First State Bank	Easby	1 035 53	
Farmers State Bank	East Fairview	1 141 40	
Bank of Egeland	Egeland	500 00	
State Bank of Elliott	Elliott	1 338 15	538 15 SR 346
Farmers Bank	Emerado	389 15	389 15 SR 394
First State Bank	Epping	881 35	881 35 SR 372

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DETAIL 4 - Continued

Name		Balance 10/31-24	Receipts since 10/31-24
Security State Bank	Fairdale	$636.98	
Farmers Bank	Fessenden	-	
First State Bank	Fillmore	409 46	$409.46 SR 395
Merchants State Bank	Fingal	-	
Citizens State Bank	Flaxton	848 04	848 04 SR 342
Gardena State Bank	Gardena	898 80	
Security State Bank	Glasston	744 30	
Glenburn State Bank	Glenburn	735 99	
The Glover State Bank	Glover	652 85	
First American State Bank	Golden Valley	-	
First Savings Bank	Grand Forks	2 715 40	2 715 40 SR 386
Granville State Bank	Granville	457 61	457 61 SR 374
Farmers State Bank	Grenora	-	
State Bank of Grenora	"	1 005 70	
Farmers State Bank	Halliday	-	
Security Bank	Hamberg	366 42	366 42 SR 396
Farmers Bank of Hampden	Hampden	2 037 95	
Security State Bank of Hanks	Hanks	1 631 28	1 631 28 SR 380
Peoples State Bank of Hatton	Hatton	-	
Farmers State Bank	Havelock	-	
First State Bank	Haynes	-	
Citizens State Bank	Hazen	-	
Farmers Bank of Mercer Co.	"	503 90	503 90 SR 368
First State Bank	"	-	
State Bank of Hensel	Hensel	857 25	857 25 SR 397
Farmers State Bank	Hesper	109 89	109 89 SR 398
Hickson State Bank	Hickson	-	
Horace State Bank	Horace	1 097 10	
Farmers & Merchants Bank	Hunter	-	
Hurdsfield State Bank	Hurdsfield	452 10	
First State Bank	Joliette	218 22	
Farmers & Merchants Equity Bank	Jud	689 77	
Karnak State Bank	Karnak	-	
Farmers State Bank	Kathryn	-	
Security State Bank	Kensal	852 32	852 32
First State Bank	Killdeer	466 50	466 50 SR 371
State Bank of Kramer	Kramer	-	
First State Bank	Lansford	1 437 00	
Farmers State Bank	Lawton	1 192 12	1 192 12 SR 399
Farmers & Merchants Bank	Leeds	2 203 70	2 203 70 SR 400
Security Bank	"	473 27	473 27 SR 401
Ransom Co.Farmers Bank	Lisbon	-	
First State Bank	Litchville	1 518 85	1 518 85 SR 411
First State Bank	Lone Tree	200 01	
Loraine State Bank	Loraine	588 63	
Citizens State Bank	Maddock	750 54	750 54 SR 402
Bank of Maida	Maida	544 23	
Mercer Co.State Bank	Mannhaven	300 00	300 00 SR 370
First State Bank	Manning	-	
State Bank of Maxbass	Maxbass	745 61	
Menoken Farmers State Bank	Menoken	-	
Mohall Security Bank	Mohall	1 223 32	
Farmers & Merchants State Bank	Monango	-	
Bank of Mowbray	Mowbray	152 68	
Farmers State Bank	Neche	-	

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DETAIL 4 - Continued

Name		Balance 10/31-24	Receipts since 10/31-24
State Bank of Newburg	Newburg	$1 367.80	$1 367.80 SR 382
Farmers & Merchants State Bank	New Rockford	-	
Newville State Bank	Newville	309 96	309 96 SR 413
Farmers State Bank	Nome	-	
First State Bank	Nome	-	
Security Bank of Oberon	Oberon	910 14	910 14 SR 403
First State Bank	Olga	1 231 10	
State Bank of Olmstead	Olmstead	553 80	553 80 SR 412
Citizens Bank of Omemee	Omemee	1 070 20	
Farmers State Bank	Oriska	311 70	
State Bank of Oriska	Oriska	1 548 35	
Bank of Orr	Orr	1 340 43	
Great Western Bank	Osnabrock	948 51	
Farmers & Merchants Bank	Overly	-	
Bank of Park River	Park River	-	
Pillsbury State Bank	Pillsbury	960 80	960 80 SR 343
Citizens State Bank	Pingree	-	
First International Bank	Portal	-	
Portal State Bank	"	-	
Farmers State Bank	Rawson	435 37	435 37 SR 345
Farmers State Bank	Ray	1 623 20	
Farmers State Bank	Regan	-	
Farmers & Merchants Bank	Robinson	56 55	56 55 SR 367
State Bank of Rolla	Rolla	-	
First State Bank	Ruso	770 00	
First State Bank	Russell	868 46	868 46 SR 377
Farmers State Bank	Rutland	-	
Bank of Sanborn	Sanborn	-	
American State Bank	Sanish	142 64	
Farmers State Bank	"	1 015 30	1 015 30 SR 340
Farmers & Merchants St.Bk.	Sarles	517 45	
First State Bank	Sawyer	424 65	
Farmers & Merchants St.Bk.	Sherwood	-	
Security Bank	Sheyenne	891 58	891 58 SR 404
Mouse River Valley Bank	Souris	947 66	
Spring Brook State Bank	Spring Brook	414 43	
First State Bank	Stady	-	
Farmers State Bank	Strasburg	-	
Citizens State Bank	Tagus	543 55	
Tolley State Bank	Tolley	1 656 41	
First State Bank	Tower City	-	
Tower City State Bank	" "	-	
Trenton State Bank	Trenton	142 65	
Scand.Amer.State Bank	Van Hook	934 05	934 05 SR 339
Merchants State Bank	Velva	1 999 17	1 999 17 SR 381
Farmers State Bank	Voltaire	25 00	
American Exchange Bank	Watford City	-	
Farmers State Bank	"	-	
Merchants State Bank	Werner	598 40	
Farmers State Bank	Wildrose	1 111 00	
First State Bank	"	1 841 25	1 841 25 SR 347
Williams Co.State Bank	Williston	2 771 15	
State Bank of Wolford	Wolford	1 631 17	
First State Bank	Fort Clark	730 07	730 27 SR 369
First State Bank	Norwich	356 75	356 75 SR 375
			$34 625.69
Amount to Statement		$89 303.25	

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DETAIL 5

NOTES RECEIVABLE

AT OCTOBER 31-1924

Date	Payor	Amount	Date Due	Rate of Int.	Date Note Paid	Amount Principal Paid	Amount Int. Paid	Amount Int. due 10/31-24
6/18-21	First State Bank, Crystal Springs	$250.00	11/ 1-21	10%	12/ 7-22	$250.00	$36.66	
8/ 1-21	Farmers & Merchants Bank, Robinson	125 00	1/ 1-22	8				$32.58
9/ 1-21	" " " "	125 00	1/ 1-22	8				31 72
10/ 1-21	" " " "	125 00	1/ 1-22	8				30 86
10/ 1-21	" " " "	136 50	1/ 1-22	8				33 67
10/ 1-21	" " " "	381 00	1/ 1-22	8				93 98
4/13-22	" " " "	1 449 49	Demand	10				356 33
		$2 591.99				$250.00	$36.66	$579.14
		250 00						
	Amount to Statement	$2 341.99						

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DETAIL 6

WARRANTS PAYABLE

OUTSTANDING AT OCTOBER 31-1924

No.	Name of Payee	Amount
116	Gilbert Senningson	$166.66
117	Geo. H. Rieland	133 33
118	B. J. Shoregge	200 00
119	J. C. Desmond	166 66
120	The Bismarck Tribune	11 50
121	The Bismarck Tribune	162 50
122	V. R. Tompkins	266 65
123	D. J. Heaney	111 10
124	M. W. Arndt	87 50
125	Dorothy M. Schnecker	50 00
126	D. J. Heaney	92 56
127	D. J. Heaney	200 00
128	D. J. Heaney	200 00
129	R. J. Holmes	200 00
130	Ella Martin	6 00
	Amount to Statement	$2 054.46

DETAIL 7

VOUCHERS PAYABLE

BILLS INCURRED PRIOR TO OCTOBER 31-1924, WARRANTS ISSUED AFTER AND PAID AFTER OCTOBER 31-1924

No.	Name of Payee	Amount
131	J. C. Desmond	$166.66
132	H. H. Pilmoor	13 25
133	Caldwell Stamp Co.	15 35
134	R. J. Holmes	111 96
135	J. C. Desmond	87 00
136	V. R. Tompkins	62 40
137	Geo. H. Rieland	134 38
138	Bismarck Tribune	13 00
139	" "	8 75
140	B. J. Shoregge	152.47
141	C. B. McMillan	713.35
142	Geo. H. Rieland	151 20
143	L. R. Baird	40 00
	Amount to Statement	$1 669.77

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DETAIL 8

ASSESSMENT FUND

	1918	1919	1920	1921	1922	1923	1924	Total
Total Assessments	$103 891.58	$76 412.92	$68 769.38	$290 386.50	$249 334.25	$206 230.80	$223 329.20	$1 218 354.63
Less: Refunds and Adjustments	707 79	1 521 48	6 760 33	5 620 33	19 29	1 684 83	1 015 69	17 329 74
Net Assessments	$103 183.79	$74 891.44	$62 009.05	$284 766.17	$249 314.96	$204 545.97	$222 313.51	$1 201 024.89 ✓
Received in Liquidation of Closed Banks			5 564 65	6 000 00		6 471 55		18 036 20
	$103 183.79	$74 891.44	$67 573.70	$290 766.17	$249 314.96	$211 017.52	$222 313.51	$1 219 061.09
Payments on Account of Closed Banks			170 506 62	10 829 14	1 692 92	4 163 15		187 191 83
	$103 183.79	$74 891.44	$102 932.92	$279 937.03	$247 622.04	$206 854.37	$222 313.51	$1 031 869.26
Other Income			530 64	4 953 95	39 41	1 188 05	10 156 63	16 868 68
	$103 183.79	$74 891.44	$102 402.28	$284 890.98	$247 661.45	$208 042.42	$232 470.14	$1 048 737.94
Expenses				750 50	6 516 31	12 986 49	20 699 10	40 952 40
Amount to Detail 8 A	$103 183.79							
" " " 8 B		$74 891.44						
" " " 8 C			$102 402.28					
" " " 8 D				$284 140.48				
" " " 8 E					$241 145.14			
" " " 8 F						$195 055.93		
" " " 8 G							$211 771.04	
Amount to Statement								$1 007 785.54

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DETAIL 8 A

1918 ASSESSMENT ACCOUNT

Assessment #1			$42 973.15	
" #2			47 518.43	
2% Assessment			13 400 00	
			$103 891.58	
Less: Refunds	Schedule 1		707 79	$103 183.79
Amount to Detail 8				$103 183.79
			$103 183.79	$103 183.79

DETAIL 8 B

1919 ASSESSMENT ACCOUNT

Assessment #3			$58 952.92	
2% Assessment			17 460 00	
			$76 412.92	
Less:				
Refunds	Schedule 1	$395.60		
Adjustments	" 2	1 125 88	1 521 48	$74 891.44
Amount to Detail 8				$74 891.44
			$74 891.44	$74 891.44

DETAIL 8 C

1920 ASSESSMENT ACCOUNT

Assessment #4			$63 269.38	
2% Assessment			5 500 00	
			$68 769.38	
Less:				
Refunds	Schedule 1	$2 151.62		
Adjustment	" 2	4 608 71	6 760 33	$62 009.05
Received from T.Swenseid in liquidation of Marmarth				5 564 65
Payments on account of closed Banks:				
First State Bank, Jud			$86 561.63	
Farmers State Bank, Marmarth			83 944 99	$170 506.62
Interest on Bank Deposits				530 64
Amount to Detail 8				102 402 28
			$170 506.62	$170 506.62

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DETAIL 8 D

1921 ASSESSMENT ACCOUNT

1st Additional Assessment Feb 15			$60 177.05	
2nd " " Mar 15			59 990 72	
3rd " " Apr 15			59 990 72	
4th " " May 15			59 990 72	
Assessment #5			50 763 61	
2% Assessment			1 100 00	
			$292 012.82	
Less: Assessment Credits			1 626 32	
			$290 386.50	
Less:				
Refunds	Schedule 1	$526.70		
Adjustments	" 2	5 093 63	5 620 33	$284 766.17
Received of T. Swenseid in liquidation of Marmarth				6 000 00
Payments on account of closed Banks:				
Marmarth			$10 829.34	
Jud-To correct payment 1920			20	$10 829.14
Other Income:				
Interest on Bank Deposits				4 953 95
Expenses:				
Salary B. J. Schoregge			$750.00	
Exchange			50	750 50
Amount to Detail 8				284 140 48
				$295 720.12 $295 720.12

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DETAIL 8 E

1922 ASSESSMENT ACCOUNT

1st Additional Assessment	$51 492.25		
2nd " "	51 288 56		
3rd " "	51 288 56		
4th " "	51 278 08		
Assessment #6	42 938 96		
2% Assessment	1 200 00		
	$249 486.41		
Less: Assessment Credits	152 16		
	$249 334.25		
Less: Adjustment Schedule 2	19 29		$249 314.96
Payments on account of closed Banks:			
Marmarth		$1 692.92	
Other Income:			
Interest on Bank Deposits	$2.75		
Interest on Notes Receivable	36 66		39 41
Expenses:			
Salary-B.J.Schoregge	$1 650.00		
Salary-H.P.Goddard	2 708 24		
Expense-H.P.Goddard	878 14		
Expense-G.Semingson	43 43		
Expense-Committee State Banking	413 54		
Advertising re closed Banks	350 46		
Legal Expense	472 50	6 516 31	
Amount to Detail 8		241 145 14	
		$249 354.37	$249 354.37

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DETAIL 8 F

1923 ASSESSMENT ACCOUNT

1st Additional Assessment (Probably payable Feb 15)	$41 717.04		
2nd " " (Mar 15)	41 600 15		
3rd " " (Apr 15)	41 301 85		
4th " " (May 15)	41 301 85		
Assessment #7 July (Minutes 7-3-23)	40 121 25		
2% Assessment	300 00		
	$206 342.14		
Less: Assessment credits	111 34		
	$206 230.80		
Less: Adjustments Schedule 2	1 684 83		$204 545.97
Received in liquidation of First State Bank, Jud			6 471 55
Payments on account of closed Banks:			
Marmarth		$4 163.15	
Other Income:			
Interest on Bank Deposits	$63.76		
Fees	1 124 29		1 188 05
Expenses:			
Salary-H.P.Goddard	$300.00		
Expenses-H.P.Goddard	125 88		
Salary-C.W.Conroy	246 67		
Expenses-C.W.Conroy	163 82		
Salary-G.H.Rieland	433 33		
Expenses-G.H.Rieland	395 85		
Salary-J.C.Desmond	2 249 91		
Expenses-J.C.Desmond	211 13		
Salary-B.J.Schoregge	1 310 08		
Salary-G.Semingson	1 899 96		
Stationery and Printing	591 59		
Audit and Legal Expense	4 946 14		
Miscellaneous Expense	112 13	12 986 49	
Amount to Detail 8		195 055 93	
		$212 205.57	$212 205.57

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DETAIL 8 G

TO OCTOBER 31-1924 ASSESSMENT ACCOUNT

8-1-23	1st Additional Assessment	$38 507.61	
9-1-23	2nd " "	37 755 47	
10-1-23	3rd " "	37 516 43	
11-1-23	4th " "	37 073 13	
	Assessment #8	34 282 87	
	1st Additional Assessment	33 861 87	
	3% Assessment	4 800 00	
		$223 797.38	
	Less: Assessment credits	468 18	
		$223 329.20	
	Less: Adjustments Schedule 2	1 015 69	$222 313.51
	Other Income:		
	Interest on Bank Deposits	$1 989.96	
	Interest on Investments	855 51	
	Profit on Sale of 3rd Liberty Loan Bonds	168 75	
	Loss on Sale of U.S.Treasury Notes Series A 1924	87 50	
	Fees	7 229 91	10 156 63
	Expenses:		
	Salary-B.J.Schoregge	$2 200.00	
	Expenses- "	786 85	
	Salary-G.Semingson	1 666 60	
	Salary-V.R.Tompkins	2 963 26	
	Expenses- "	931 22	
	Salary-G.H.Rieland	1 333 36	
	Expenses- "	285 58	
	Salary-J.C.Desmond	3 424 57	
	Expenses- "	87 00	
	Salary-R.J.Holmes	651 61	
	Expenses- "	485 75	
	Salary-A.Reid	350 00	
	Expenses- "	124 23	
	Salary-D.J.Heaney	400 00	
	Expenses- "	203 66	
	Expenses-C.B.McMillan	713 35	
	Salary-M.W.Arndt	87 50	
	Salary-Dorothy M.Schnecker	50 00	
	Salary-Marie Delvo	40 00	
	Stationery and Printing	271 35	
	Legal Expense	3 244 98	
	Miscellaneous	398 21	$20 699.10
	Amount to Detail 8		211 771 04
			$232 470.14 $232 470.14

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SCHEDULE 1

REFUNDS

	Date	Name of Bank		Amount		Remarks
	1/17-18	Fullerton State Bank		$77.69		Nationalized
	1/17-18	Bank of Harvey		46 30		Liquidated
	1/17-18	Farmers & Merchants State Bk.	Kenmare	133 09		Never admitted
	1/17-18	Security Bank of Knox		64 40		" "
	1/17-18	Overly State Bank		25 40		" "
	1/17-18	First State Bank	Parshal	60 12		Nationalized
	1/17-18	Bank of Petersburg		95 06		"
	1/17-18	Rolette County Bank	St.John	58 95		Never admitted
	2/ 9-18	First State Bank	Underwood	146 78		Nationalized
		Amount to Detail 8 A			$707.79	
*	7/16-19	State Bank of Alexander		$134.11		Nationalized
*	7/16-19	Security State Bank	Golva	74 66		"
*	7/16-19	First State Bank	Tuttle	104 12		"
*	7/16-19	First State Bank	Woodworth	75 95		"
*	10/15-19	Adams Co.State Bank	Hettinger	6 76		Over-assessment #2
		Amount to Detail 8 B			395 60	
	2/10-20	First International Bank	Minot	$.02		Correction
	2/10-20	Montpelier State Bank		05		"
	4/13-20	Peoples State Bank	Wahpeton	144 16		Nationalized
	4/13-20	Equity State Bank	Fargo	75 49		"
	4/13-20	Farmers State Bank	Thompson	132 98		"
	4/13-20	Mooreton State Bank		47 72		"
	4/13-20	Bank of Fairmount		145 31		"
*	4/13-20	Stockgrowers Bank	Napoleon	212 66		"
*	4/13-20	First State Bank	Makoti	75 71		"
*	4/13-20	Aneta State Bank		248 65		"
*	4/13-20	First State Bank	East Westby	300 00		"
*	7/13-20	Hettinger State Bank		140 68		"
*	7/13-20	Farmers State Bank	Linton	162 28		"
*	7/13-20	First International Bank	Columbus	59 42		Dissolution
*	7/13-20	Union Farmers State Bank	New Salem	200 00		Capital reduced
*	10/13-20	Northwestern State Bank	Killdeer	75 80		Taken over by 1st International Killdeer
*	10/13-20	Farmers State Bank	Mayville	23 48)		(Taken over by 1st Inter-
*	10/13-20	Citizens State Bank of Max		107 21)		(national Kenmare
		Amount to Detail 8 C			2 151 62	
*	4/12-21	Menoken Farmers State Bank		$200.00		Capital Stock reduced
	10/31-21	Farmers State Bank	Dawson	250 00		Over-assessment 1920-21
	10/31-21	Chaseley State Bank		76 70		" " "
		Amount to Detail 8 D			526 70	
					$3 781.71	

Authorized in Minutes of Meetings.

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SCHEDULE 2

ADJUSTMENT

		Date	2% Assessment	Adjustment Dr.	Adjustment Cr.	Date of Adjustment	Net Average Deposits	1st Assessment	2nd Assessment	Total Assmts. including Original Assmt.	1/2 of 1% Average Deposits	Difference	Adjustment Dr.	Adjustment Cr.
Security State Bank	Courtenay	1/17-18	$300.00	$54.40		10/10-19	$56 000.00	$6.40	$28.00	$334.40	$280.00	$54.40		
First State Bank	East Westby	"	300 00	Refunded										
Glover State Bank	Glover	"	300 00		$42.71	10/17-19	78 800 00	11 89	39 40	351 29	394 00	42 71		
Peoples State Bank	Grand Forks	"	1 500 00	535 66		10/15-19	220 800 00	29 26	110 40	1 639 66	1 104 00	535 66		
Honeyford State Bank	Honeyford	"	300 00		115 76	10/23-19	96 504 55	18 51	48 25	366 76	482 52	115 76		
Karnak State Bank	Karnak	"	300 00	154 87		11/15-19	33 944 02	7 62	16 97	324 59	169 72	154 87		
Security State Bank	Kintyre	"	300 00	159 87		11/15-19	31 895 53	3 40	15 95	319 35	159 48	159 87		
Kongsberg State Bank	Kongsberg	"	300 00	159 01		10/20-19	33 775 63	11 00	16 89	327 89	168 88	159 01		
State Bank of Lehr	Lehr	"	300 00	71 69		11/15-19	53 765 00	13 64	26 88	340 52	268 83	71 69		
Farmers & Merchants State Bank	New England	"	300 00		244 10	10/21-19	127 657 10	30 36	63 83	394 19	638 29	244 10		
Security Bank of Oberon,	Oberon	"	300 00		146 20	11/15-19	101 950 00	12 57	50 98	363 55	509 75	146 20		
Farmers & Merchants State Bank	Tolna	"	400 00		377 67	10/17-19	175 699 39	*12 98	23 85	436 83	878 50	441 67	incorrect	$64.00
First State Bank of Watford City	Watford City	"	300 00		2 79	10/17-19	74 672 77	33 23	37 34	370 57	373 36	2 79		
Farmers State Bank	Knox	2/19-18	300 00	123 69		10/23-20	94 552 38	15 68	47 28	362 96	472 76	109 80		233 49
Pioneer State Bank	Raub	3/15-18	300 00	49 36		10/20-19	58 103 44	10 83	29 05	339 88	290 52	49 36		
Peoples State Bank	Hatton	4/15-18	1 000 00	717 60		10/15-19	68 052 31	23 83	34 03	1 057 86	340 26	717 60		
" " "	Hillsboro	"	1 000 00	265 99		10/15-19	165 151 07	9 17	82 58	1 091 75	825 76	265 99		
Farmers State Bank	Regan	5/ 8-18	300 00		17 45	10/23-19	72 582 00	9 17	36 29	345 46	362 91	17 45		
Farmers Bank of Sutton	Sutton	6/ 4-18	300 00		95 89	10/17-19	88 662 93	3 09	44 33	347 42	443 31	95 89		
Farmers State Bank	Hebron	7/ 5-18	400 00	114 57		10/23-20	85 402 00	28 50	42 70	471 20	427 01	44 19		70 38
American Exchange Bk.	Watford City	8/22-18	400 00	191 81		10/23-20	64 915 22	23 93	32 45	456 38	324 58	131 80		60 01
Maza State Bank	Maza	9/ 9-18	300 00	231 76		10/23-20	28 025 56	7 29	14 01	321 30	140 13	181 17		50 59
Peoples State Bank	Knox	9/10-18	500 00	114 00		10/23-20	109 090 00	42 80	54 55	597 35	545 45	51 90		62 10
St.John State Bank	St.John	9/10-18	500 00	238 71		10/23-20	115 002 26	31 36	57 50	588 86	575 01	13 85		224 86
Security State Bank	Niagara	9/24-18	300 00	143 67		10/23-20	80 373 19	17 08	40 19	357 27	401 87	44 60		188 27
Peoples State Bank	Leith	9/26-18	400 00	Closed			46 795 98	9 93	23 40					
Equity State Bank	Golden Valley	10/ 2-18	300 00	66 67		"	82 790 75	26 68	41 40	368 08	413 95	45 87		112 54
First Security Bank	Carpio	10/ 7-18	300 00	Closed			34 094 61	14 02	17 04					
Peoples State Bank	Oneta	10/28-18	500 00	162 53		"	156 995 39	62 90	78 50	641 40	784 98	143 58		306 11
Farmers & Merchants Bank	Cooperstown	12/26-18	800 00	323 57		"	147 399 00	52 87	73 70	926 57	737 00	189 57		134 00
Guaranty State Bank	Emerado	12/26-18	300 00	180 74		"	31 845 70	13 65	15 92	329 57	159 23	170 34		10 40
Security State Bank	Overly	1/ 6-19	300 00	219 48		"	35 175 00	6 73	17 54	324 27	175 88	148 39		71 09
Farmers Bank	Derrick	1/13-19	300 00	217 20		"	22 193 90	3 30	11 09	314 39	110 97	203 42		13 78
Peoples State Bank	Casselton	1/23-19	1 000 00	799 60		"	60 250 89	13 09	30 13	1 043 22	301 25	741 97		57 63
American Exchange Bank	Valley City	2/ 4-19	4 000 00	1 489 15		"	559 600 00	305 69	279 83	4 585 52	2 798 30	1 787 22	$298.07	
Farmers & Merchants Bk.	Kindred	2/ 7-19	400 00		503 93	"	331 865 00	24 87	165 93	590 80	1 659 33	1 068 53		564 60
Farmers State Bank	Windsor	2/26-19	300 00	96 91		"	59 485 28	15 65	29 74	345 39	297 43	47 96		48 95
Farmers State Bank	Mayville	3/ 3-19	400 00	Dissolved			46 961 00	9 07	23 48					
Farmers State Bank	Christine	4/ 4-19	500 00		280 47	"	243 725 42	27 50	121 86	649 36	1 218 63	569 27		288 80
Farmers State Bank	Rutland	4/ 4-19	400 00	188 51		"	54 336 30	8 82	27 17	435 99	271 68	164 31		24 20
Bank of Maida	Maida	4/10-19	300 00	51 53		"	63 664 00	3 66	31 83	335 49	318 32	17 17		34 36
Farmers State Bank	Neche	4/17-19	300 00	79 77		10/26-21	54 633 86	4 68	27 32	332 00	273 17	58 83		20 94

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SCHEDULE 2 - Continued

		Date	2% Assessment	Adjustment Dr.	Adjustment Cr.	Date of Adjustment	Net Average Deposits	1st Assessment	2nd Assessment	Total Assmts. including Original Assmt.	1/2 of 1% Average Deposits	Differences	Adjustment Dr.	Adjustment Cr.
Peoples Bank of Calvin		4/22-19	$500.00	$158.39		10/23-20	$109 885.65	$12.72	$54.94	$567.66	$549.43	$18.23		$140.16
Union Farmers State Bk.	New Salem	5/21-19	800 00		$39.95	11/15-21	173 973 93	76 51	86 99	963 50	869 87	93 63	$133.58	
Farmers State Bank	Havana	5/27-19	500 00	280 62		10/23-20	54 681 00	7 16	27 34	534 50	273 41	261 09		19 53
First State Bank	Joliette	7/ 8-19	300 00	247 25		10/26-21	32 694 95	11 17	16 35	327 52	163 48	164 04		83 21
Farmers State Bank	Starkweather	8/ 2-19	300 00	18 92		"	87 603 46	36 23	43 80	380 03	438 02	57 99		76 91
Menoken Farmers State Bank	Menoken	8/ 2-19	500 00	204 93		"	34 229 57	15 34	17 11	532 45	171 15	361 30	156 37	
Harwood State Bank	Harwood	8/ 8-19	360 00	199 36		"	70 099 22	22 13	35 05	417 18	350 50	66 68		132 68
Farmers State Bank	Fullerton	8/14-19	500 00	270 68		"	72 079 74	28 05	36 04	564 09	360 40	203 69		66 99
Farmers State Bank	Oriska	8/15-19	300 00	160 60		"	49 952 25	18 12	24 98	343 10	249 76	93 34		67 26
Farmers State Bank	Ambrose	8/27-19	300 00	60 54		"	50 815 40	27 77	25 40	353 17	254 08	99 09	38 55	
Farmers State Bank	Mapes	8/30-19	300 00	234 97		"	21 470 17	7 99	10 74	318 73	107 35	211 38		23 59
Farmers & Merchants Equity Bank	Jud	9/15-19	300 00	Closed				43 34	39 82					
Farmers State Bank	Brampton	9/22-19	400 00	297 87		"	50 051 60	11 75	25 03	436 78	250 26	186 52		111 35
First State Bank	Tower City	9/22-19	300 00	231 12		"	34 874 00	6 26	17 44	323 70	174 37	149 33		81 79
Farmers State Bank	Lake Williams	10/ 7-19	300 00	220 84		"	25 848 28	8 33	12 92	321 25	129 24	192 01		28 83
Security Savings Bank	Jamestown	10/17-19	1 000 00	760 36		"	95 317 63	29 36	47 66	1 077 02	476 59	600 43		159 93
Security State Bank	Warwick	10/27-19	300 00	143 98		"	45 980 00	15 66	22 99	338 65	229 90	108 75		35 23
Farmers State Bank	Dickinson	10/28-19	800 00	366 17		"	123 383 20	58 27	61 69	919 96	616 92	303 04		63 13
Farmers Security Bank	Washburn	10/30-19	300 00	35 13		"	105 495 00	31 72	52 75	384 47	527 48	143 01		178 14
Farmers State Bank	Gladstone	11/20-19	300 00	209 30		"	27 249 25	7 14	13 62	320 76	136 25	184 51		24 79
Stockgrowers Bank	Marmarth	11/26-19	300 00		12 41	11/15-21	89 807 00	20 26	44 90	365 16	449 04	83 88		71 47
Crystal State Bank	Crystal	12/19-19	300 00	66 92		10/26-21	58 400 00	17 80	20 20	347 00	292 00	55 00		11 92
Tower City State Bank	Tower City	1/20-20	500 00	19 29) 276 41)		"	57 869 41	23 92	28 93	552 85	289 35	263 50		32 20
Farmers State Bank	Arthur	1/26-20	400 00	156 05		"	51 338 73	13 74	25 66	439 40	256 69	182 71	26 66	
Farmers State Bank	Hesper	2/ 2-20	300 00	229 37		"	18 390 00	4 50	9 20	313 70	91 95	221 75		7 62
Farmers State Bank	Hoople	3/ 2-20	500 00		62 88	11/15-21	145 089 14	42 70	72 51	615 21	725 46	110 25	47.36	47 37
Amenia State Bank	Amenia	3/29-20	300 00	176 95		10/26-21	34 491 59	7 24	17 24	324 48	172 46	152 02		24 93
Farmers Security Bank	Conway	5/15-20	400 00	241 74		"	39 915 57	1 22	19 96	421 18	199 58	221 60		20 14
Wahpeton State Bank	Wahpeton	6/30-20	700 00	319 64		"	104 132 22	9 96	52 07	762 03	520 66	241 37		78 27
Peoples State Bank	Linton	7/10-20	500 00	296 00		2/24-23	80 899 59	21 46	40 44	561 90	404 50	157 40		138 60
Security Bank	Hamberg	8/ 6-20	300 00	206 73		"	43 596 09	11 48	21 79	333 27	217 98	115 29		91 44
Voss State Bank	Voss	8/16-20	300 00	231 40		"	24 037 78	8 14	12 01	320 15	120 19	199 96		31 44
Guaranty State Bank	Mantador	8/18-20	300 00	143 80		"	35 695 54	16 04	17 84	333 88	178 48	155 40	11 60	
Security State Bank	Lawton	9/27-20	300 00	196 96		"	44 351 41	6 73	22 17	328 90	221 76	107 14		89 82
Cathay State Bank	Cathay	9/30-20	300 00	260 21		"	11 715 90	3 95	5 85	309 80	58 58	251 22		8 99
Farmers State Bank	Watford	10/ 8-20	400 00	349 73		"	12 679 00	6 52	6 33	412 85	63 40	349 45		28
Farmers State Bank	Tolley	8/15-21	300 00	242 68		3/ 4-24	12 705 43	6 43	6 35	312 78	63 53	249 25	6 57	
Peoples Bank	Enderlin	11/22-21	500 00	321 39		"	51 134 00	14 50	25 56	540 06	255 67	284 39		37 00
+American State Bank	Mohall	12/ 5-21	300 00					15 87						
#Guaranty State Bank	Medina	8/14-22	300 00											
Security State Bank	Robinson	8/28-22	300 00	156 54		"	34 995 12	8 23	17 50	325 73	174 98	150 75		6 79
Security State Bank	Milton now Orr	9/ 8-22	300 00	169 23		"	26 021 00	11 66	13 01	324 67	130 11	194 56	25 33	
Bank of Cogswell	Cogswell	9/21-22	300 00	125 85		"	21 303 89	2 06	10 65	312 71	106 52	206 19	80 34	

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SCHEDULE 2 - Continued

		Date	2% Assessment	Adjustment Dr.	Adjustment Cr.	Date of Adjustment	Net Average Deposits	1st Assessment	2nd Assessment	Total Assmts. including Original Assmt.	1/2 of 1% Average Deposits	Differences	Adjustment Dr.	Adjustment Cr.
Northwestern State Bank,	Sawyer	11/19-23	$300.00											
Union State Bank	Dunn Center	8/13-24	450 00											
First State Bank	Alamo	9/15-24	450 00											
Nome State Bank	Nome	9/16-24	450 00											
First State Bank	Center	9/16-24	450 00											
Commercial State Bank	Williston	9/23-24	1 200 00											
Union Bank of Portal	Portal	10/17-24	600 00											
Union Bank of Antler	Antler	10/17-24	450 00											
State Bank of Langdon	Langdon	10/25-24	750 00											
			$43 760.00	$15 490.24	$1 942.21							$777.07	$4 632.90	777 07
														$3 855.83

SUMMARY

Dr. Adjustments		$15 490.24	
Cr. "		1 942 21	$13,548.03
Amount to Detail	8 B		$1 125.88
" " "	8 C		4 608 71
" " "	8 D		5 093 63
" " "	8 E		19 29
" " "	8 F		1 684 83
" " "	8 G		1 015 69
			$13 548.03 $13 548.03

Remarks:

* Consolidated with State Bank of Tolna April 30-1919 assessment #3 includes both Banks. 2nd assessment above taken in ratio of assessment.

\+ Not analyzed.

\# Consolidated with Security State Bank.

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" REVIEW OF EXAMINATION "

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" REVIEW OF EXAMINATION "

DEPOSITORS GUARANTY FUND,
AUTHORIZATION AND POWERS:

The laws creating the Depositors Guaranty Fund and defining the powers of the Commission, are found in Chapter 126 of the Laws of 1917 as amended by Chapter 110 of the Laws of 1919, and further amended by Chapter 21 of the Laws of 1921 and amended and reenacted by Chapter 200 S. L. 1923.

Under the present laws the Depositors Guaranty Fund Commission shall be composed of five members, namely, the Governor of the State of North Dakota, the Manager of the Bank of North Dakota and three members to be appointed by the Governor, all appointments to membership of said Commission, whether to fill a vacancy or otherwise, shall be made by the Governor.

The statutes appear to provide that the Commission shall have the supervision and control of the Depositors Guaranty Fund and shall have power to adopt all necessary rules and regulations, not inconsistent with law, for the management and administration of said Fund.

The Commission at the date of this examination, October 31-1924, was composed of the following members:

Honorable R. A. Nestos, Governor of North Dakota
Mr. C. B. McMillan
Mr. S. G. Severtson

Mr. Gilbert Semingson holding the appointment of Secretary and Treasurer of the Commission. Under the law Mr. C. R. Green, Manager of the Bank of North Dakota, by virtue of his position would be a member of the Commission but he has not at this date qualified as a member.

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The statute appears to require the State Treasurer to be the Treasurer of the Guaranty Fund. It appears that Mr. Steen, present State Treasurer, has not qualified.

The bonds of the members of the Commission and of the Secretary and Treasurer were examined and are as follows:

Mr. C. B. McMillan		$10 000.00
Mr. S. G. Severtson		10 000 00
Mr. Gilbert Semingson,	Secretary	20 000 00
" " "	Treasurer	25 000 00
		==========

The oaths of office subscribed to by the above members and officers, were examined and found as conforming to the statute.

REVOLVING FUND - BANKS:

At Detail 1 of the Report herewith, is disclosed the Banks in which funds are now being mobilized for the part payment of approved depositors claims in certain closed Banks. The Bank accounts were reconciled and the balances verified by correspondence with the Banks.

The amount of $3,601.61 represents realization of collateral of the Williams County State Bank, Williston, North Dakota, in which the Bank of North Dakota and the Depositors Guaranty Fund have a pool interest. The sum of $3,601.61 represents the Depositors Guaranty Funds share of realization which has not as yet been transferred to their checking account. The amount was verified to the records of the Bank.

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SPECIAL DEPOSIT - BANKS:

Open Banks:

At Detail 2 of the Report herewith, is disclosed the Special Deposits with Banks. The amount on deposit with Banks that are open is $21,515.26. The balances were verified by correspondence with the Banks and found to be in agreement.

The First State Bank, Calvin, North Dakota, is secured by a depository bond in the sum of $10,000.00 signed by the First State Bank, Calvin, by Archie Sillers, Cashier, also signed by the following as surety, namely, Elias Porter, Dan J. Porter, George Henderson and Archie Sillers.

The deposits with the following Banks are unsecured:

State Bank of Hannah	Hannah, North Dakota
Scandinavian American Bank	Minot, North Dakota
Merchants State Bank	Sarles, North Dakota

All the above Special Deposit Accounts, excepting the Scandinavian American Bank, Minot, North Dakota, have been closed out since the date of the audit, October 31-1924.

The Receiver of Closed Banks holds Bank of New Rockford collateral for collection for the account of the Depositors Guaranty Fund Commission totaling $62,274.93.

It was reported that this collateral was acquired in the following manner. The Bank of New Rockford had obligations which were secured by collateral. The collateral had been foreclosed and the time for redemption was rapidly drawing to a close. The Commission deemed it expedient to buy the claim and acquire the collateral in order to protect their interests. The transaction was made through the Scandinavian

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American Bank of Minot who held the collateral as Trustee. This collateral was later on transferred to the Receiver of Closed Banks for collection.

Closed Banks:

The amount of the balances in Closed Banks is $112,966.29 as disclosed at Detail 2 of the Report herewith. The Receiver of Closed Banks furnished a schedule of balances of Special Deposits in Closed Banks and the following differences were noted:

Name	Address	Balance 10/31-24 Guaranty Fund Records	Balance 10/31-24 reported by Receiver
Farmers Bank of Dunn Co.	Dunn Center	$1 151.76	$1 979.81
State Bank of Grenora	Grenora	6 990 54	10 213 31
Security State Bank	Hanks	6 309 58	6 629 58
Farmers and Merchants Equity Bank	Jud	-	100 93
State Bank of Maxbass	Maxbass	9 291 56	9 328 16
Tolley State Bank	Tolley	11 127 73	11 793 36
Farmers State Bank	E.Fairview	695 20	782 13
Farmers Bank of Hampden	Hampden	2 000 00	-
Farmers State Bank	Rawson	1 194 00	1 198 58
Farmers & Merchants State Bank	Sherwood	13 562 13	14 328 09
Williams Co. State Bank	Williston	25 000 00	-

A Schedule of the above differences, as well as the differences of assessment accounts in Closed Banks, was submitted to the Receiver of Closed Banks and the Secretary of the Depositors Guaranty Fund Commission. The Receiver agreed to investigate these differences and report on them. In his subsequent report, it was stated that the majority of these differences would be reconciled with the records of the Guaranty Fund. The $2,000.00 at the Farmers Bank of Hampden

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and the $25,000.00 at the Williams County State Bank, Williston, were reported to have been carried by the Banks as Bills Payable and had therefore not been reported by the Receiver. The special deposits in Closed Banks which are secured by collateral, are as follows.

Depository Bond for $10,000.00 signed by Clyde State Bank by Chas. Sillers, Cashier, also signed by the following as surety, namely, Archie Sillers, Dan. J. Porter, Sam Bateman, C. B. Hammond and W. A. Schroeder. The bond was found on file and examined.

From the Receiver of Closed Banks it was ascertained that collateral was held by him in the face value amounts shown below on October 31-1924 for the following banks:

Farmers State Bank	Nome	$17 648.06
Tolley State Bank	Tolley	55 758 41
State Bank of Crenora	Crenora	8 331 35
Security State Bank	Hanks	14 705 58
Sawyer State Bank	Sawyer	31 392 31
Maxbass State Bank	Maxbass	18 981 20
Farmers & Merchants State Bank	Sherwood	26 212 75

To secure the deposits made by the Depositors Guaranty Fund and the Bank of North Dakota, the Williams County State Bank, Williston, pledged certain collateral which is held jointly by the Depositors Guaranty Fund and the Bank of North Dakota, and which is now in the hands of the Bank of North Dakota for collection. Their records at October 31-1924 revealed face value collateral belonging to the Guaranty Fund in the amount of $30,086.23.

It was reported that the First National Bank, Minneapolis, Minnesota, held certain collateral in which

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the Depositors Guaranty Fund have a pool interest. This collateral is to secure deposits made at the following Banks:

Farmers Bank of Dunn County	Dunn Center
Farmers State Bank	Rawson
Farmers Bank	Ray
Farmers Bank	Watford City
Farmers State Bank	East Fairview

Correspondence was had with the First National Bank, Minneapolis, Minnesota, to ascertain the amount of unrealized collateral at October 31-1924. In reply they stated that this collateral was out in the hands of their collectors, and as this was in the midst of the collection season, it would greatly handicap them to call in this collateral to compile the information required, and requested that they be allowed to furnish this information after the collection season.

It was also reported that the Northwestern National Bank, Minneapolis, Minnesota, held certain collateral in which the Depositors Guaranty Fund have a pool interest. This collateral is to secure the deposit made at the Farmers Bank, Hampden, North Dakota. Correspondence was had with the Northwestern National Bank, Minneapolis, to ascertain the amount of the unrealized collateral at October 31-1924 and it was determined that the collateral at that date amounted to $67,610.73.

To explain further the Sawyer State Bank, Sawyer, North Dakota transaction, the following information was furnished by Mr. McMillan. This Bank had pledged collateral to secure certain loans. This collateral had been foreclosed and the time for redemption was close at hand. The Depositors Guaranty Fund Commission, in order to protect its interests,

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paid off the claim and took over the collateral in the name of the Northern Trust Company of Fargo as Trustee. The Northern Trust Company advanced the money to carry out this transaction and the Depositors Guaranty Fund made a deposit with the Northern Trust Company of approximately like amount.

With reference to the Williston State Bank, Williston, North Dakota, it was explained by Mr. McMillan that this Bank had made large loans to Albert Solberg. Mr. Solberg owned large tracts of land which had been mortgaged. The mortgages had been foreclosed and the time for redemption was about to expire and the Depositors Guaranty Fund Commission in order to protect its interests, redeemed from foreclosure and took over the land in the name of the Northern Trust Company of Fargo as Trustee. Mr. McMillan also stated that there has been no accounting as yet between the Commission and the Northern Trust Company. At the date of this examination, the Commission had a representative at the Northern Trust Company to make settlement.

The collateral of the Sawyer State Bank has been turned over to the Receiver of Closed Banks for collection on behalf of the Commission.

The titles to the lands acquired in the Williston State Bank transaction are reported as still in the name of the Northern Trust Company as Trustee.

It was not possible to make a satisfactory audit of the collateral as there was no detailed records kept of it from the time it was acquired. It therefore, has been

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possible to verify only the balance of unrealized collateral in the hands of the parties holding it and then only when it has been possible for them to furnish it.

A review of the Minutes of the meeting of July 3-1923 reveals that Special Deposits were authorized for the following Banks and amounts. This authorization appears to be more in the nature of a ratification of the then existing balances at those Banks, than an original authorization.

Name	Address	Amount Authorized	Date of Minutes
State Bank of Bowman	Bowman	$10 000.00	7/3-23
Farmers Bank of Dunn Co.	Dunn Center	2 057 55	7/3-23
Northern Trust Co.	Fargo	24 381 86	7/3-23
Scandinavian American Bank	Minot	5 400 00	7/3-23
First State Bank	Calvin	5 000 00	7/3-23
Clyde State Bank	Clyde	5 000 00	7/3-23
Farmers State Bank	East Fairview	882 96	7/3-23
State Bank of Grenora	Grenora	11 968 00	7/3-23
Farmers Bank of Hampden	Hampden	2 000 00	7/3-23
State Bank of Hanks	Hanks	7 643 00	7/3-23
State Bank of Hannah	Hannah	1 500 00	7/3-23
State Bank of Maxbass	Maxbass	10 000 00	7/3-23
Farmers State Bank of Nome	Nome	9 588 27	7/3-23
" " " " Rawson	Rawson	1 937 16	7/3-23
Farmers Bank of Ray	Ray	700 00	7/3-23
State Bank of Sarles	Sarles	1 500 00	7/3-23
Farmers & Merchants Bank	Sherwood	10 000 00	7/3-23
Tolley State Bank	Tolley	12 959 19	7/3-23
Underwood State Bank	Underwood	2 997 34	7/3-23
Farmers State Bank	Watford City	308 87	7/3-23
Williams Co. State Bank	Williston	25 000 00	7/3-23

BALANCES OF ASSESSMENTS DUE FROM BANKS:

At Detail 3 of the Report herewith, is disclosed the balances of assessments due from Open Banks in the sum of $563,239.48. Correspondence was had with all Open State Banks for the purpose of verifying the correctness of the balances on the records of the Depositors Guaranty Fund Commission.

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Replies were received from all but the Farmers Bank of Munich.

An examination of the latest Call Report dated September 17-1924, received from the Farmers Bank of Munich, reveals a balance due the Depositors Guaranty Fund of $1,887.36. The following statement is presented to show that this Bank has not credited the assessment levied on May 15-1923 and none since, to date:

Balance September 17-1924 per Banks Sworn Statement		$1 887.36
Assessments not Credited:		
Date	Amount	
5/15-23 Fourth Additional Assessment	$126.44	
11/15-23 Assessment No.7	120 98	
1/15-24 First Additional Assessment	120 98	
2/15-24 Second " "	120 98	
3/15-24 Third " "	120 98	
5/15-24 Fourth " "	120 98	
8/26-24 Assessment No.8	111 05	842 39
Balance September 17-1924 per Assessment Ledger		$2 729.75
10/15-24 First Additional Assessment		111 05
Balance October 31-1924 per Assessment Ledger		$2 840.80

The replies received from the Banks confirmed that their balance was in agreement with the Depositors Guaranty Fund Commission balance excepting the Banks following:

Name	Address	Balance per Reply from Bank	Ledger	Difference
First State Bank	Calvin	$1 206.41	$979.41	$227.00
Northern Trust Co.	Fargo	2 977 36	2 674 40	302 96
Northern State Bank	Grand Forks	5 913 12	6 338 44	425 32
First State Bank	Hamar	426 84	444 78	17 94
Bank of Hansboro	Hansboro	1 023 53	1 023 52	01
Security State Bank	Krem	60 668 70	972 37	See comments following
Sheridan Co.State Bk.	McClusky	847 21	847 19	02
State Bk.of McVille	McVille	1 373 26	1 437 72	64 46
First State Bank	Mercer	815 27	815 17	10
Nome State Bank	Nome	300 00	450 00	150 00
Nortonville St.Bk.	Nortonville	833 41	761 27	72 14

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Further correspondence was had with the Banks where their first reply revealed balances different from that of the Depositors Guaranty Fund Commission at October 31-1924, and it developed that most of these differences could be accounted for and the differences shown above are commented on following.

First State Bank - Calvin:

The difference of $227.00 occurred when the above Bank charging a withdrawal of October 22-1924 to the Guaranty Fund Special Deposit. This withdrawal is credited on the records of the Guaranty Fund Commission to the assessment account. This matter was referred to the Guaranty Fund Commission Office for adjustment.

Northern Trust Co. - Fargo:

Assessment Number 8 levied against the above Company amounted to $302.96 and was charged to them in November 1924. The Northern Trust Company have included this amount in their balance of October 31-1924.

Northern State Bank - Grand Forks:

The difference of $425.32 at the above Bank represents the assessment levied October 15-1924 which, they state, was not credited to the Guaranty Fund until November 20-1924.

First State Bank - Hamar:

The difference at the above Bank at October 31-1924 is $17.94 which is the amount of the assessment levied October 15-1924. The Bank evidently did not credit this assessment until November, as further correspondence with them revealed that they had a subsequent balance of $236.78 which agreed

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with the records of the Guaranty Fund Commission at November 10-1924.

Security State Bank - Krem:

This Bank apparently did not understand what information was desired of them. They have evidently reported the average deposits, as their first letter reported a balance of $60,668.70, and in another letter a balance of $143,188.73. An inspection of the Call Report dated October 31-1924 on file revealed a balance at that date due the Guaranty Fund of $972.37 which was in agreement with the records of the Guaranty Fund Commission.

State Bank of McVille:

The difference at the above Bank at October 31-1924 is $64.46 which is the amount of the assessment levied October 15-1924. The Bank evidently did not credit this assessment until November, as further correspondence revealed that they had a subsequent balance of $751.72 which was in agreement with the records of the Guaranty Fund Commission at November 10-1924.

Nome State Bank - Nome:

The amount of $450.00 charged to the above Bank on the records of the Guaranty Fund Commission is 3% of the Capital Stock of the Bank which is now required of all new State Banks. The Bank has credited the Guaranty Fund with $300.00 which is 2% of its Capital Stock, which was formerly required of new State Banks. This matter was referred to the Guaranty Fund Commission Office for adjustment.

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Nortonville State Bank - Nortonville:

An inspection of the Call Report dated October 31-1924 received from the above Bank, revealed a balance of $761.27 which was in agreement with the records of the Guaranty Fund Commission at that date.

ASSESSMENT DEPOSITS DUE FROM CLOSED BANKS:

At Detail 4 of the Report herewith, is disclosed the balances of assessments due from Closed Banks in the sum of $89,303.25. A Schedule of balances due the Depositors Guaranty Fund was submitted by the Receiver of Closed Banks and were found to be in agreement with the balances carried on the records of the Depositors Guaranty Fund except as follows:

Name	Address	Balance 10/31-24 Guaranty Fund Records	Balance 10/31-24 reported by Receiver
First State Bank	Bowbells	$600.73	-
Peoples State Bank	Casselton	77 46	-
Farmers Bk.of Dunn Co.	Dunn Center	552 65	$1 704.41
Security State Bank	Glasston	744 30	725 68
Glover State Bank	Glover	652 85	-
First Savings Bank	Grand Forks	2 715 40	-
First State Bank	Joliette	218 22	201 80
" " "	Lansford	1 437 00	1 379 81
" " "	Litchville	1 518 85	-
" " "	Lone Tree	200 01	-
Loraine State Bank	Loraine	588 63	556 56
Farmers Bank of Ray	Ray	1 623 20	1 537 43
American State Bank	Sanish	142 64	95 28
Farmers & Mchts.State Bk.	Sarles	517 45	-
Citizens State Bank	Tagus	543 55	553 55
Tolley State Bank	Tolley	1 656 41	1 507 76
Dunseith State Bank	Dunseith	111 60	-
State Bank of Elliott	Elliott	1 338 15	-

Investigation of these differences developed that at certain Banks the difference equaled certain assessments, and that apparently the Banks had not credited the Depositors

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Guaranty Fund with that particular assessment at the time the Bank was closed. Following are the Banks where this condition exists:

Security State Bank	Classton
First State Bank	Joliette
" " "	Lansford
Loraine State Bank	Loraine
Farmers Bank of Ray	Ray
American State Bank	Sanish
Tolley State Bank	Tolley

After submitting a report of these differences to the Receiver of Closed Banks and the Secretary of the Commission, and after an investigation by the Receiver, it was stated that most of these differences would be reconciled.

In connection with Closed Bank Deposits and the paying off of the claims of depositors in Closed Banks, an inspection of the Minutes of the meeting of October 10-1924 reveals that Closed Banks have been divided into two classes, Class A consisting of those closed on or prior to June 30-1923 and Class B consisting of those closed after June 30-1923. An excerpt from the Minutes is as follows:

> "It was resolved that as soon as depositors verify and present their verified claims against Banks in Class A, such claims shall be acted upon with all practicable expedition. Such admitted claims to be paid a dividend of 10% to be applied on such claims and certificates of indebtedness. All claims of $10.00 and under to be paid in full. Secretary authorized to assemble and mobilize moneys belonging to fund by withdrawing from all Banks 20% of amount so on deposit and twenty days later to withdraw a further 40% and thereafter such additional part as is deemed necessary."

Since the date of this examination, October 31-1924, the Receiver of Closed Banks has remitted to the Depositors Guaranty Fund $34,625.69 in liquidation of balances due the Depositors Guaranty Fund from closed banks. The details of

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this amount is revealed at Detail 4 of the Report herewith.

INVESTMENTS:

The Investments at October 31-1924 consisted of $15,000.00 par value of United States Certificates of Indebtedness, 4-1/4% due December 15-1924 which cost $15,009.38. These certificates were with the First National Bank, Minneapolis, for safe-keeping. These bonds were confirmed as being in the possession of the First National Bank of Minneapolis for safe-keeping for Depositors Guaranty Fund Commission.

NOTES RECEIVABLE:

At Detail 5 of the Report herewith is revealed the Notes Receivable in the sum of $2,341.99. These notes represent loans made to the Receiver of the Farmers & Merchants Bank, Robinson, for Receivers expenses. An inspection of the Minutes of the meetings disclose that these loans were authorized by the Commission. The notes were confirmed as agreeing with the Commission's record.

WARRANTS PAYABLE:

All Warrants Paid were compared to the records of issue, and it was determined that the outstanding Warrants at October 31-1924 amounted to $2,054.46 as disclosed at Detail 6 of the Report herewith.

VOUCHERS PAYABLE:

An inspection of the Warrants issued subsequent to October 31-1924 and a comparison of the Warrants with the

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invoices for which they were issued disclosed that some were expenses incurred prior to October 31-1924 and therefore have been set up as a liability at that date under the title of Vouchers Payable. An itemized list of the Vouchers Payable is disclosed at Detail 7 of the Report herewith.

LIABILITY ON DEPOSITS IN CLOSED BANKS:

In submitting the Statement at Page one of the Report herewith, no cognizance is taken of the liability of the Depositors Guaranty Fund on deposits in Closed Banks, as this liability had not at the date of this examination been determined.

ASSESSMENT FUND:

At Detail 8 of the Report herewith is submitted a summary by years of the Assessments Levied with certain additions and deductions, the net total of which is transferred to the Financial Statement herewith. Detail 8 is supported by Details 8 A to 8 G inclusive, each one of which Details reflects the Receipts and Disbursements for each particular year.

The Refunds and Adjustments are set forth in detail at Schedules 1 and 2.

Considering the Refunds disclosed in Schedule 1, attention is called to those Banks marked "*". The Refunds to Banks so referenced were found to be authorized in the Minutes of the Commission. All Refunds not so referenced were not found to be so authorized.

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It is reported that the question, whether or not the Banks which have been nationalized are still liable for a share of the loss on Closed Banks up to the date they were nationalized, is in process of being tested in the Courts. July 31-1919 was given as the date of the closing of the first Bank since the Depositors Guaranty Fund Law went into effect.

There has been prepared two schedules following; one a schedule of Banks closed prior to July 31-1919 with the date of nationalization, the other a schedule of Banks closed after July 31-1919 with date of nationalization.

BANKS NATIONALIZED PRIOR TO JULY 31-1919,
THE DATE OF THE FIRST BANK CLOSING SINCE
THE GUARANTY FUND LAW WENT INTO EFFECT

Name	Address	Date Nationalized
Alexander State Bank	Alexander	2/ 3-19
Aneta State Bank	Aneta	3/ 8-19
First State Bank	East Westby	3/ 8-19
Security State Bank	Golva	5/19-19
First State Bank	Tuttle	4/25-19
First State Bank	Underwood	12/ 9-18
First State Bank	Woodworth	5/24-19
First State Bank	Makoti	5/31-18
Stock Growers Bank	Napoleon	7/ 2-19
Fullerton State Bank	Fullerton	8/ -18
First State Bank	Parshall	2/ -18
Bank of Petersburg	Petersburg	4/ -18

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BANKS NATIONALIZED AFTER JULY 31-1919

Name	Address	Date Nationalized
Merchants & Farmers Bk.	Cavalier	11/10-21 o
Liberty Bk.of Dickinson	Dickinson	6/26-23 o
Merchants Bk.of Drake	Drake	9/29-23
Nelson Co. State Bk.	Michigan City	9/22-21 o
American State Bank	Mohall	9/12-22 o
Citizens State Bank	Sharon	9/15-21 o
Taylor State Bank	Taylor	3/ 3-24
Lambs Bank	Whitman	11/20-23
Bank of Fairmount	Fairmount	2/21-20 †
Equity State Bank	Fargo	1/ 9-20 †
Northern Savings Bank	Fargo	7/16-20 †
Hettinger State Bank	Hettinger	4/12-20 †
Farmers State Bank	Linton	3/21-20 †
Citizens State Bank	Max	5/14-20 †
Mooreton State Bank	Mooreton	2/21-20 †
Farmers State Bank	Thompson	2/21-20 †
Peoples State Bank	Wahpeton	3/ 8-20 †
McLean Co.State Bank	Wilton	6/24-22 o
Northwestern State Bk.	Killdeer	10/13-20 †
Farmers State Bank	Mayville	10/13-20 †

The records of the Guaranty Fund Commission reveal balances due from Banks that are now National Banks or consolidated with National Banks. Correspondence was had with the National Banks as successors to the State Banks for the purpose of verifying these balances. Following is submitted the names of the Banks corresponded with. The names of the original Banks is given; its successor; the balance shown on the records of the Guaranty Fund Commission; and the amount acknowledged by the Bank:

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Original Bank	Successor	Balance per Ledger	Acknowledged By Bank
Merchants & Farmers Bank of Cavalier	Merchants National Bank, Cavalier	$279.33	$279.33
State Bk.of Guthrie	First National Bank, Drake	83 05	-
American State Bank of Mohall	First National Bank, Mohall	315 87	-
Citizens State Bk.of Sharon	First National Bank, Sharon	48 62	-
Taylor State Bank, Taylor	Security National Bk., Taylor	119 31	-
Lamb's Bank of Whitman	First National Bank, Whitman	1 234 25	919 65

Paragraph 11 of the Law provides -

"New Banks - Any bank organized subsequent to the passage, approval and taking effect of this act shall pay into the Depositors' Guaranty Fund an amount equal to two per cent of its capital stock, when such bank opens for business, which amount shall constitute a credit fund, subject to adjustment on the basis of said bank's average daily deposits, as shown by the first annual statement required by section seven of this article.

The Depositors' Guaranty Fund Commission is authorized and empowered to make an adjustment of the rates of assessment to be paid by any bank which engages in the banking business subsequent to the passage, approval and taking effect of this Act, and shall require such bank to contribute to the Depositors' Guaranty Fund, a just and equitable sum, and the Depositors' Guaranty Fund Commission shall adjust assessments of such bank so that the first two assessments together with the credit fund of two per cent of the capital stock paid by said bank when it begins business, shall at least equal one-half of one per cent of the average daily deposits of said bank as shown by the first annual statement required by section seven of this article.

Provided, however, that said two per cent will not be required of new banks formed by the re-organization or consolidation of banks that have previously complied with the terms of this Act with reference to the payment of assessments."

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It is reported that there is some doubt as to the interpretation of the underlined portion of the term "first two assessments". The Attorney General was reported by Mr. McMillan as being of the opinion that it meant the first regular assessment and the second regular assessment. In Schedule 2 of the Report herewith there is disclosed the adjustments to the different Banks that have been made to date. There is also presented other data on which adjustments have been computed under Paragraph 11 based on the Attorney General's opinion as to the meaning of "first two assessments". By this computation certain Banks are entitled to credits and others would be charged. The net difference would be a charge to the Banks of $3,855.83.

EXPENSE OF GUARANTY FUND COMMISSION:

The expenses of the Commission are provided to be paid from two sources, namely -

A - Legislative Appropriations
B - From Assessment Fund

For the purpose of disclosing the costs of the Commission from its creation to October 31-1924, there has been prepared and submitted following, Schedule A, where the Legislative Fund expenditures are classified by fiscal year periods, as prepared from the records of Mr. Murphy of the State Examiners Office.

The expenses paid from the Assessment Fund are disclosed at Detail 8 as supported by Sub-Details 8 A to 8 C inclusive.

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Following is presented a summary of all expenses of the Commission from its inception to October 31-1924, classified by type of expense and source of income therefor.

EXPENSES OF COMMISSION

	Paid from Assessment Fund	Paid from Appropriation	Total Expenses
Commissioners Salaries	$713.35	$3 470.00	$4 183.35
Postage		908 32	908 32
Office Supplies and Printing	862 94	1 468 70	2 331 64
Traveling Expense	5 136 08	13 756 62	18 892 70
Inspectors Salaries	20 971 03	5 435 70	26 406 73
Clerk Hire	177 50	10 202 58	10 380 08
Bond Premium		619 80	619 80
Furniture and Fixtures		566 70	566 70
Secretary's Salary	3 566 56		3 566 56
Legal Fees	8 663 62		8 663 62
Advertising re Closed Banks	350 46		350 46
Miscellaneous	510 86	1 420 37	1 931 23
	$40 952.40	$37 848.79	$78 801.19

The following table reflects the appropriations made and unexpended balances at October 31-1924:

	Appropriations	Expenditures	Balance
1918-1919	$5 000.00	$5 028.67	$28.67
1920-1921	2 600 00	2 313 22	286 78
1922-1923	18 825 00	15 680 11	3 144 89
1924-1925	18 800 00	14 826 79	3 973 21
	$45 225.00	$37 848.79	$7 376.21
Unexpended balances reverted		3 404 00	3 404 00
	$45 225.00	$41 252.79	
Balance of Appropriations Unexpended			$3 972.21

The data appearing in Schedule A is obtained from records which form no part of the Depositors Guaranty Fund

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records. Therefore, no verification was made of the amounts appearing in Schedule A following, and are accepted as being correct for the purpose of presenting the expenditures of the Depositors Guaranty Fund Commission which do not appear on their records.

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SCHEDULE A

COMPARISON OF BUDGET APPROPRIATIONS WITH EXPENDITURES

	1918 and 1919			1920 and 1921			1922 and 1923		1924 and 1925		
	Budget Approp.	Credit	Expended	Budget Approp.	Credit	Expended	Budget Approp.	Expended	Budget Approp.	Expended to Oct. 31-1924	Total
Appropriation		$5 000.00			$2 600.00						
Salary Commissioners			$785.00			$465.00	$1 200.00	$835.00	$1 500.00	$1 385.00	$3 470.00
Postage			18 12				1 500 00	668 60	1 500 00	221 60	908 32
Office Supplies			23 50				300 00	203 49	500 00	231 28	458 27
Printing			13 32			229 51	600 00	527 55	1 000 00	240 05	1 010 43
Miscellaneous			108 20			125 87	300 00	580 82	900 00	605 48	1 420 37
Traveling Expense			1 209 37			1 137 54	5 100 00	3 832 62			6 179 53
Bond Premium			264 50			355 30	425 00				619 80
Hotel Expense			1 004 14								1 004 14
Deputy Salary			1 602 52								1 602 52
Clerk Hire							9 000 00	8 702 58	3 000 00	1 500 00	10 202 58
Furniture and Fixtures							400 00	329 45	400 00	237 25	566 70
Travel Exp. Commissioners									2 000 00	2 604 88	2 604 88
Salary Inspectors									4 000 00	3 833 18	3 833 18
Travel Exp. Inspectors									4 000 00	3 968 07	3 968 07
Overdrawn			28 67								
Unexpended Balance						286 78		3 144 89		3 973 21	
		$5 000.00	$5 000.00		$2 600.00	$2 600.00	$18 825.00	$18 825.00	$18 800.00	$18 800.00	$37 848.79

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COMPUTATION OF ASSESSMENTS:

The statements received from Banks on which the assessments were computed were found on file and examined. From the data recorded thereon, the accuracy of the computation of assessments was verified and the assessments were found to be correctly computed except as shown following. The amounts shown in column 1 below are the assessments as charged to the Banks. The amounts in column 2 are the corrected amounts as determined from the assessment files.

ASSESSMENT NO. 1:

Bank	Address	1	2	
Farmers State Bank	Almont	$49.41	$50.97	
State Bank	Brockett	63 00	68 00	
German State Bank	Stanton	47 96	41 96	
First State Bank	Walcott	61 49	74 09	71.33
" " "	Werner	27 48	32 58	

ASSESSMENT NO. 2:

First State Bank	Burnstad	50 58 ✓	53 77	
Bank of Hansboro	Hansboro	41 73 ✓	42 98	
First State Bank	Judson	38 78	36 68	36.67

ASSESSMENT NO. 3:

Interstate Bank of Billings Co.	Sentinel Butte	45 95 ✓	49 15	
First State Bank	Max	62 35	62 48	
Peoples State Bank	Knox	42 80	42 08	

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ASSESSMENT NO. 4:

Bank	Address	1	2
Wahpeton State Bank	Wahpeton	$9.96	$10.33
First State Bank	Regent	69 94	65 44
Farmers State Bank	Rawson See form 106, 1920	45 26 OK	45 08
First International Bk.	Portal	78 41	78 56 78.57
Towner Co. Bank	Perth	115 25	114 75
Michigan City Bank	Michigan	109 78	109 28
Millerton State Bank	Millerton	35 46	32 12
First International Bk.	Noonan	142 54	134 47
State Bank of Morton County	Mandan See 1920 Average 10% form	181 68 OK	159 47
Farmers State Bank	"	349 43	327 22 342.04
Fortuna State Bank	Fortuna See 1920 form 106 —	42 92 OK	41 01
Merchants State Bank	Glen Ullin See 1920 form 106 -	122 77 OK	100 18
First Savings Bank	Grand Forks	224 99	224 85 224.86
Farmers State Bank	Hanks	44 40	44 90
" " "	Hesper See form 106 - 1920	4 50 OK	9 50
Horace State Bank	Horace	127 95	127 84
Bank of Leal	Leal	75 30	80 05
First State of Lucca	Lucca	41 57	41 28
Farmers State Bank	Bentley	43 11	43 66
" " "	Brantford	68 20	68 30
Burt State Bank	Burt See form 106 - 1920	41 46 OK	36 22
Farmers Bank of McKenzie Co.	Charlson See form 106 - 1920	41 22 OK	37 15
Chasely State Bank	Chasely OK 30.36	76 70 OK	76 06
Security State Bank	Courtenay	33 14	51 43 51.78
Farmers State Bank	Dawson OK 52.28	102 28	52 28
Douglas State Bank	Douglas	118 92	118 09
Eckelson State Bank	Eckelson See form 106 - 1920	60 30 OK	56 79
First State Bank	Amidon	75 84	75 18
Appam State Bank	Appam	35 77	35 07
Ayr State Bank	Ayr	66 25	66 35
Pierce Co. State Bk.	Balta	36 34	36 84
Bank of Barney	Barney	63 54	64 54

ASSESSMENT NO. 5:

Farmers State Bank	Braddock	45 77	45 47
Peoples State Bank	Casselton	54 50	54 99 55.00
Merchants State Bank	Glen Ullin See form 106 - 1921	98 48 OK	98 75
Farmers Bank of Mercer Co.	Hazen 50.13 OK	45 41	57.75
New England State Bk.	New England	19 72	17 20

ASSESSMENT NO. 6:

Farmers State Bank	Rawson See form 106 - 1922	36 75 OK	35 37
Farmers & Merchants Bank of Rolla	Rolla See form 106 - 1922	43 79 OK	47 31
Citizens State Bank	Tagus 45.32	45 48	45 96
York State Bank	York . . . . . "	38 98 OK	35 33
Farmers & Merchants Bank	Overly " " " "	59 37 OK	53 11

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ASSESSMENT NO. 6 - Continued:

Bank	Address	1	2
Scandia American Bank	Palermo	$26.72	$26.22 ✓
Security State Bank	Kintyre	35 21	33 85 ✓
Reservation State Bank	Makoti See form 106-1922	91 54 OK	90 01
First State Bank	Hague " " " "	123 93 OK	157 79
Security State Bank	Halliday	59 47	58 97 ✓
Harlow State Bank	Harlow	31 60	31 50
Farmers State Bank	Coleharbor	58 26	82 76 ✓
Driscoll State Bank	Driscoll See form 106-1922	42 74 OK	71 94
First State Bank	Edmunds	26 60	26 75 ✓
Farmers State Bank	Ambrose See form 106-1922	11 97 OK	9 13
First State Bank	Barton	37 19	37 29 ✓
Bowdon State Bank	Bowdon	59 32	58 82 ✓
American State Bank	Burlington See form 106-1922	161 04 OK	182 58
Farmers State Bank	Butzville	32 60	32 30 ✓
Peoples State Bank	Casselton	22 55	28 19 ✓
Farmers Security Bank	Chaffee	97 19	96 69 ✓

ASSESSMENT NO. 7:

Rock Lake State Bank	Rock Lake See form 106-1923	45 34 OK	44 99
Peoples State Bank	Parshall " " " "	35 19 OK	37 40
Scandia American Bank	Palermo	27 60	27 10 ✓
Newville State Bank	Newville	8 86	8 33 ✓
Clyde State Bank	Clyde	50 02	50 52 ✓
First State Bank	Englevale	44 26	42 91 ✓

ASSESSMENT NO. 8:

Farmers State Bank	Noonan	31 12	31 62 ✓
" " "	Gwinner	63 008	62 75 ✓
" " "	Hannah	117 16	117 66 ✓
" " "	Arthur	23 90	23 80 ✓

CONCLUSIONS:

Liability to Depositors of Closed Banks:

Attention is again directed to the omission to set up in the Statement herewith, any amount representative of the liability of the Guaranty Fund to the Depositors of Closed Banks.

The amount of such liability had not been determined at the date of this audit, and to determine this liability would have apparently entailed a special analysis of the

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individual deposits of each and every Closed Bank, something not contemplated as being within the scope of this audit.

Available Funds to Meet Liability:

At October 31-1924, there was approximately $800,000.00 available funds and on deposit in Open Banks. This amount does not include some $200,000.00 due the Fund from Closed Banks.

Conflict of State Laws:

Reference has been made herein that the State Treasurer has not qualified as Treasurer of the Commission and it is merited to explain this situation.

The Guaranty Fund Law appears to require that all of its moneys be deposited in the State Banks, while all laws regulating the State Treasurer's deposits require that he deposit funds in his control in The Bank of North Dakota. Therefore, rather than disobey both laws he does not qualify as Treasurer of the Commission, and complies with the laws regulatory of the office of State Treasurer.

Certificate:

In our opinion the Depositors Guaranty Fund has been properly accounted for on its records and that all disbursements are consistent and in order and properly authorized and authenticated.

Acknowledgments:

It is merited to state that every courtesy was afforded during the progress of this examination.

Respectfully Submitted,

TEMPLE, BRIGGMAN & CO.,

By Herbert M Temple
C.P.A.

Saint Paul, Minnesota,
December 29-1924.

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AUDIT REPORT

OF DEPOSITORS GUARANTY FUND

BISMARCK, N. DAK.

FROM

DECEMBER 1, 1926

TO

NOVEMBER 30, 1928

O. B. LUND

AUDITOR AND ACCOUNTANT

BISMARCK NORTH DAKOTA

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AUDIT REPORT

OF DEPOSITOR'S GUARANTY FUND

BISMARCK, N. DAK.

FROM

DECEMBER 1, 1926

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O. B. LUND

AUDITOR AND ACCOUNTANT

BISMARCK NORTH DAKOTA

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Walter Maddock, Governor,
C. R. Green, Manager Bank of North Dakota,
A. W. Engel,
S. G. Severtson,
H. A. Fisher,
Members Depositor's Guaranty Fund Commission,
Gilbert Semingson, Secretary,
Bismarck, N. Dak.

Gentlemen:

In compliance with agreement I have made an audit of the books, records and vouchers of the Depositor's Guaranty Fund Commission of the State of North Dakota for the period beginning with the close of our previous audit, Dec. 1, 1926 to November 30, 1928, and I hereby certify, that in my opinion, the following statements and schedules reflect the true condition of the cash transactions of the department for the period covered.

A verification of the income from bank assessments was made by correspondence with the banks assessed, excepting a few that have failed to report to us before the close of our audit, as noted in detail on page 17. The other cash incomes to the department, which were small, were verified in the ussual manner.

The expenditures from the fund which were principally payments of dividends to the depositors were compared with the vouchers on file in the department.

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The expenditures for administration expense were examined and found to be well within the amount authorized by law for that purpose, and we found all funds coming to the department to be properly accounted for.

On page 10 will be found a statement of Assets and Liabilities of the department as they appeared on Nov. 30th 1928. This is followed by a statement of collections and disbursements for the two years covered by this audit. These statements have the detail and page number opposite each item for convenient reference to the supporting schedule following.

The books of the department, and the Balance Sheet submitted herewith, do not show the liabilities to depositors of closed banks. Before this can be determined the receivers of the closed banks must wind up their affairs, and all claims on the Depositor's Guaranty Fund must be passed on to determine which are, and which are not a liability or a proper claim on the fund under the law.

At the present time there has been a ten percent dividend declared by the Commission on about two-thirds of the banks that have closed to date. On the dividends authorized there is still an estimated amount of claims standing unpaid of over a million dollars. It is very apparent that the full payment of the first ten percent dividend to depositors on all the banks closed to date is so far in the future, at the present rate of net income to the fund, that an additional dividend to the depositors is so remote that its value to the depositor is not worthy of consideration at this time.

The Commissioners, officers and employees of the department were all found to be bonded and had qualified as provided by law, with the exception of the Manager of the Bank of North Dakota, who had not filed his oath of office, or had appeared to take part in the activities of the Commission.

The records and proceedings of the department were found to be kept in a neat and systematic order. The record of the proceedings of the Commission seemed to give a full and complete record in detail of all matters acted on by the Commission. There were several minor clerical errors in the posting of payments to the depositors claim

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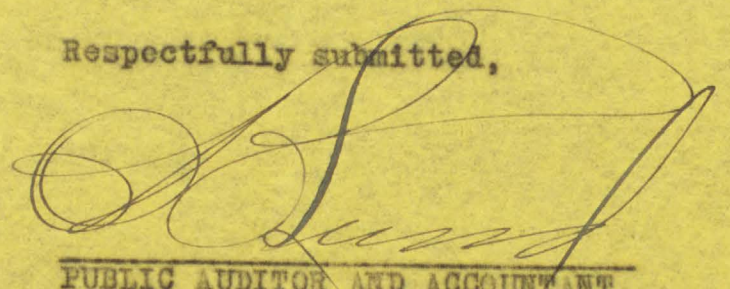
accounts that were corrected during the process of our examination, with the exception of $8.01 that was not located by us. While these errors are all small and not serious, we believe more care should be given in correctly booking these items. There are a number of claims sheets with the field auditor and referee that were not viewed by us and time would not permit gathering in these documents. Otherwise we experienced no difficulty in proving the accounts as we found them.

The officers and employees of the Depositor's Guaranty Fund and the Receiver of Closed Banks afforded us every courtesy and assistance in the progress of our examination for which I wish to acknowledge my appreciation.

Respectfully submitted,



PUBLIC AUDITOR AND ACCOUNTANT.

Bismarck, N. Dak.,
Dec. 28, 1928.

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REVIEW OF STATEMENTS AND EXAMINATION

REFERENCE PAGE NO.	DETAIL NO.	
12	A	**CASH IN BANK OF NORTH DAKOTA $51,256.47 Dr.**

The money accruing to the fund is gathered into the Bank of North Dakota and all expenditures from the fund are made by check on the Bank. This represents the amount of cash on hand in this bank at date of audit.

We include in our statements a special collection account carried by the bank in connection with the collateral loan to the closed Williams Co. Bank of Williston, which shows a balance to the credit of the fund of $4,167.59 that is not taken into account on the Department records. In our statements we have charged the Bank of North Dakota with this item and credited the Williams County Bank loan account.

17	B	**DUE FROM OPEN BANKS ON ASSESSMENTS $61,510.74 Dr.**

As assessments are levied on the banks coming under the Depositors Guaranty Act, the amount is credited to the fund on the bank's records, subject to withdrawal on demand by the Depositor's Guaranty Fund Commission. This represents the amount of assessment in the hands of the banks over the State at date of audit. Verification of the accounts was made by us by correspondence and found to agree with the records of the Department with the exception of items noted on detail as listed beginning on page 17.

26	C	**DUE FROM CLOSED BANKS ON ASSESSMENTS $39,931.85 Dr.**

This represents the amount of assessments standing to the credit of the Depositor's Guaranty Fund in insolvent banks at time of closing and additional assessments not levied at date of closing, that had not been paid by the receiver. A schedule in detail of the balances due the Depositor's Guaranty Fund was submitted to the Receiver of Closed Banks and his records were found to be in harmony with the records of the Commission on these items.

Section 16 of the Guaranty of Deposits Act provides that the amount of money standing to the credit of the Depositor's Guaranty Fund on deposit in closed banks shall be a first lien upon the assets of such institution. These credits are being paid by the Receiver of Closed Banks as fast as he has funds available and it is considered that they will all eventually be paid into the fund.

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REVIEW OF STATEMENTS AND EXAMINATION-CONTINUED

REFERENCE PAGE NO.	REFERENCE DETAIL NO.	
28	D	**SPECIAL DEPOSITS WITH CLOSED BANKS $64,319.30 Dr.** Prior to period covered by this audit the Commission made special deposits from Depositors Guaranty Funds with banks that were pressed for cash. This practice has been discontinued and no such special deposits made during this audit period. Banks that have not returned such deposits have closed. On page 28 we list the balances due and unpaid from each such bank. Some of these deposits are secured by collateral which is out for collection. A large part of this collateral is considered of questionable value and was not examined by us. A list of special deposits due from closed banks as carried on the books of the Department was submitted to the Receiver of Closed Banks and his records were found to agree with the Commission accounts. This class of deposits is considered as preferred credits and first lien on the assets of the closed institutions. It is estimated the Guaranty Fund may sustain some loss on part of these deposits.
29	E	**ACCOUNTS RECEIVABLE (CLAIM ACCOUNTS) $312.47 Dr.** This represents legal expenses paid by the Commission in connection with the interests of the Guaranty Fund in recovery of collateral pledged by banks that have closed. This expense is charged to the closed banks on the books of the Commission and paid from the assets of said bank by the receiver.
30	F	**3% ASSESSMENT ACCOUNT UNSETTLED $1,800.00 Cr.** This represents three percent of the capital stock of newly organized banks paid into the Guaranty Fund as provided by Section 14 of the Guaranty of Deposits Act, that had not been adjusted at date of audit. This is carried as a credit to the banks on the Commission's records and treated so until finally settled by the Commission.
31	G	**UNDISTRIBUTED SPECIAL DIVIDEND FROM RECEIVER $20,974.99 Cr.** When the Receiver of Closed Banks distributes a dividend from the liquidation of an insolvent institution in his charge, he pays over to the Depositors Guaranty Commission the portion going to depositors that have surrendered their Receivers Certificates of Proof of Claim to be converted into Certificates of Indebtedness of the Depositors Guaranty Fund. The Depositors Guaranty Fund Commission make the

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REFERENCE PAGE NO.	DETAIL NO.	

distribution of the dividend turned over to them by the receiver, to the depositor. In this way the Commission has a record of all payments to the depositors after they have taken the account over.

This represents dividends from the receivership in the process of distribution to the depositors from proceeds of the assets of banks listed on page 31 of this report.

H DEPOSITORS GUARANTY FUND ACCOUNT $210,868.22 Cr.

This item represents the amount of Assets over the Liabilities on hand at date of audit, exclusive of the liabilities to depositors of closed banks, which can not be accurately determined and is not considered in our statements. When the liability to depositors in banks that have closed to date is set up in the business there will be an estimated deficit in the fund of fifteen to twenty million dollars or more, depending on the amount realized from the receiverships.

I DEPOSITORS GUARANTY FUND BALANCE DEC. 1-1926 $592,768.44

This represents the fund balance on hand at the close of our previous audit. This figure is taken as a starting point for proving the collections and expenditures for this audit period.

32 J BANK ASSESSMENTS LEVIED $323,364.89

This item represents the proceeds of assessments on banks as provided by Section 10 of Guaranty of Deposits Acts. This law authorizes a levy of one regular and four additional assessments each year of one-twentieth of one percent each on the average daily deposits of the bank. The maximum levy authorized by law has been assessed for the full period.

We verified the assessments by correspondence with the banks, and found them to agree from all banks heard from.

33 K INTEREST RECEIVED $4,314.37

This represents the amount of interest collected by the department for the period covered by this audit from funds deposited in the Bank of North Dakota. see detail on page —

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REVIEW OF STATEMENTS AND EXAMINATION-CONTINUED

REFERENCE PAGE NO.	REFERENCE DETAIL NO.	
34	L	**EXAMINATION FEES COLLECTED $2,154.01** This item represents examination fees and expense refunds collected by the Commission as provided by Sections 5 and 6 of the Guaranty of Deposits Act for the period covered.
		See detail Page —
	M	**ASSIGNMENT FEES COLLECTED $607.00** A fee of one dollar is charged and collected for the assignment or transfer of title of claims on the fund from one party to another. This item represents the amount of such fees collected as the same appears on the books of the department. As stated in our previous report, no systematic detail record is kept of this fee to enable the proving of this class of income without the examination of all claims filed which we considered would take more time than the amount involved would justify.
	N	**REFUND OF EXPENSE PAID $37.50** This item of income represents the amount of an old check drawn on the fund for administration expense that has been returned and credited to the fund.
35	O	**ADMINISTRATION EXPENSE PAID $40,071.71 Cr.** The administration expenses of the Depositors Guaranty Fund Commission are provided in part by legislative appropriation from the State General Fund, and part from the Depositors Guaranty Fund as provided by section 34 of the Act, appropriating $20,000.00 per year or as much thereof as is necessary from the Depositors Guaranty Fund to meet the expense of the Commission. ~~In July 1927 and 1928, $20,000.00 was transferred to the State Treasurer from the funds in the hands of the Commission for each years expense, and the expenses of the department are paid by the State Auditors warrants as other claims against the state are paid.~~ Expenditures from both funds were compared with the amount allowed by law and found to be well within the alloted appropriations as will be shown by details beginning on page ~~35.~~ ____

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REVIEW OF STATEMENTS AND EXAMINATION-CONTINUED

REFERENCE PAGE NO.	REFERENCE DETAIL NO.	
40	P	10% DIVIDEND PAID DEPOSITORS $672,309.28

This represents the amount of general dividend paid to depositors during the two years covered by this audit. All approved claims that were not with the auditor or referee were examined by us and compared with the expenditures as made from the fund. With the exception of clerical errors in booking the transactions, that were corrected during the audit, we experienced no difficulty in proving the accounts.

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DEPOSITORS GUARANTY FUND

BALANCE SHEET

NOVEMBER 30, 1928

REFERENCE PAGE NO.	REFERENCE DETAIL NO.			ASSETS	LIABILITIES
12	A	Cash in Bank of North Dakota:			
		Open Account- - - - - - - - - - - - - - - - -	$47,088.88		
		Special Collateral Account- - - - - - - -	4,167.59	$51,256.47	
17	B	Due from Open State Banks on Assessments - - - - - - - - -		61,510.74	
26	C	Due from Closed Banks on Assessments - - - - - - - - - - -		39,931.85	
28	D	Special Deposits in Closed Banks - - - - - - - - - - - - -		64,319.30	
29	E	Accounts Receivable (Claim Accounts) - - - - - - - - - - -		312.47	
35	F	In Hands of State Treasurer, Expense Account - - - - - - -		16,312.38	
30	G	3% Assessment Accounts Unsettled - - - - - - - - - - - - -			$1,800.00
31		Undistributed Special Dividend from Receiver of Closed Banks- - - - - - - - - - - - - - -			20,974.99
	H	Depositors Guaranty Fund Account - - - - - - - - - - - - -			210,868.22
				233,643.21	233,643.21

This statement does not include liabilities to depositors of closed banks.

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DEPOSITOR'S GUARANTY FUND

STATEMENT OF DISBURSEMENTS AND RECEIPTS AND BALANCES

DEC. 1, 1926 TO NOV. 30, 1928

REFERENCE PAGE NO.	REFERENCE DETAIL NO.			PAYMENTS AND BALANCE	BALANCE AND COLLECTIONS
	I	Depositors Guaranty Fund Balance Dec. 1, 1926- - - - -			$592,768.44
		Income Dec. 1-1926 to Nov. 30-1928:			
32	J	Bank Assessments Levied - - - - - - - - - - - - - - -			323,364.89
33	K	Interest Received - - - - - - - - - - - - - - - - - -			4,317.37
34	L	Examination Fees Collected- - - - - - - - - - - - -			2,154.01
	M	Assignment Fees Collected - - - - - - - - - - - - -			607.00
	N	Refund of Expense Paid Prior to Dec. 1, 1926- - -			37.50
		Disbursements Dec. 1-1926 to Nov. 30-1928:			
35	O	*Administration Expense Paid - - - - - - -	$36,071.71		
		Transfer to General Fund as provided by Chapter 257-S.L. 1927- - - - - - - -	4,000.00	$40,071.71	
40	P	Total 10% General Dividend Paid Depositors- - - - - - - - - - - - - - - -	1,463,996.20		
		Less Payments prior to Dec.1, 1926	791,686.92	672,309.28	
	H	Depositors Guaranty Fund Balance Nov.30-1928 - - - - - -		210,868.22	
				923,249.21	923,249.21

*Note:- Administration Expense noted in this statement covers only amount paid direct from Depositors Guaranty Fund. In addition to this there has been administration expense paid from the State General Fund Appropriations in the amount of $30,199.03. See detail on page 35.

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DETAIL "A"

DEPOSITOR'S GUARANTY FUND

RECONCILEMENT OF OPEN ACCOUNT

NOVEMBER 30th 1928

BANK OF NORTH DAKOTA

Balance as per Bank Statement 11-30-28		$58 416 06
Balance as per Guaranty Fund Records 11-30-28	$47 088 88	
Drafts not charged on Guaranty Fund Records		7 310 49
Interest for Nov. 1928 not on Bank Statement		84 34
Checks outstanding	18 714 00	
Difference between Bank of North Dakota and Guaranty Fund Records	8 01	
	65 810 89	65 810 89

CHECKS OUTSTANDING

NUMBER	AMOUNT
763	$10 00
1094	10 00
2062	10 00
2396	10 00
2654	8 78
2690	4 97
3067	10 00
4154	1 55
4493	7 17
4556	3 95
4846	10 00
4875	4 51
4851	31 00
4852	10 00
4909	1 06
5100	10 00
5256	9 00
5314	9 79
5507	43 00
5764	5 35
5781	5 22
5839	10 57
5849	11 30
5850	6 83
5854	2 64
6097	10 00
6679	66
6989	10 00
7036	10 00
7200	18 00
7206	10 00
7481	10 00
7853	10 00
7959	9 48
7968	10
8008	19
8511	10 00
8513	10 00
8682	18 00
9093	10 00
9148	5 66
9155	3 91
9224	10 00
9579	18 00
10064	21 00
10132	10 00
10187	20 00
10215	18
10305	10 00
10407	10 00
10631	10 00
11341	11 00
11484	13 00
11697	10 00
11823	1 69
12088	10 00
12129	10 48
12303	10 00
12727	22 00
12791	8 90
12811	05
12970	24 00
13223	3 62
13369	10 00
13554	23 00
13817	15
13892	15 00
13893	10 00
13976	10 00
14080	47 00
14120	5 94
14508	11 00
14621	10 00
14689	27 00
14336	10 00

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CHECKS OUTSTANDING

NUMBER	AMOUNT
14692	23 00
14926	12 00
15045	98
15050	10 00
15334	10 00
15369	8 47
15440	17 00
16272	2 74
16353	10 60
16617	3 32
16631	1 67
17297	1 29
17322	10 00
17568	10 00
17570	10 00
17651	12 00
18295	2 23
18390	10 00
18694	6 52
19002	10 00
19614	11 69
19743	10 00
19857	84
20164	10 00
20217	10 00
20404	10 00
20598	10 00
20616	10 00
20654	2 94
21000	10 00
21001	143 00
21229	8 90
21237	2 07
21394	20 00
21485	23 00
21664	13 00
21665	10 00
21667	10 00
21717	10 00
21720	29 00
21774	10 00
21775	11 00
21789	9 49
21842	14 00
21843	11 00
21844	11 00
21845	13 00
21846	10 00
21847	10 00
21848	10 00
21849	10 00
21861	10 00
21862	10 00
21877	8 94
21878	11 05
22018	50 00
22165	10 00
22170	10 00
22171	10 00
22180	21 00
22407	4 44
22475	65 00
22481	10 00
22812	3 25
23509	34
23659	10 00
23864	22 00
23921	10 00
23944	10 00
23946	10 00
23977	1 30
23203	6 84
24229	11
24239	6 51
24287	10 10
24592	79 00
24817	10 00
24861	5 45
25336	10 00
25590	10 00
25686	10 00
25895	29 00
25971	22 17
26181	2 19
26240	10 00
26560	3 92
26571	10 00
26572	5 81
26896	7 00
27009	5 30
24563	9 90
27115	10 00
27286	10 00
27359	41 00
27391	10 00
27496	10 00
27603	21 00
27611	10 00
27768	11
27813	15 00
28221	1 24
28247	7 33
28455	17 00
28469	9 00
28470	9 00
28471	9 00
28549	17 00
28711	3 86
28716	11 00
28858	5 57
28860	3 80
29104	10 00
29106	10 00
29107	10 00
29269	10 00
29287	88 00
29453	4 52
29458	11 70
29532	10 00
29533	10 00
30227	10 00
30242	1 96
30462	105 00
30547	580 00
30822	10 00
30823	5 45
30825	10 00
30826	8 98
30827	1 96
30914	10 00
31055	91
31056	2 56
31094	10 00
31171	11 00
31176	10 00
31459	34 00
31460	58 09

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CHECKS OUTSTANDING-CONTINUED

NUMBER	AMOUNT
31535	34 00
31689	10 00
31702	45 00
31722	1 54
31723	10 00
31724	7 13
31842	246 00
31843	212 00
31844	212 00
31861	1 04
31862	75
31867	4 08
31985	10 00
32295	1 28
32556	4 85
32640	1 00
32746	10 00
32768	2 91
32770	11 58
32808	13
32843	2 68
33168	2 41
33172	6 52
33173	4 14
33178	4 11
33341	10 00
33457	10 00
33557	3 78
33623	7 97
33654	4 79
33700	10 00
33701	19 00
33717	19 00
33766	1 73
33788	10 00
33910	19 00
33912	13 34
33981	1 90
34032	1 46
34033	2 13
34100	56 85
34183	5 92
34204	2 03
34248	16 00
34342	9 18
34350	2 60
34378	11 55
34381	13 52
34412	76
34414	76
34418	10 95
34419	66 53
34428	2 04
34446	76
34448	28
34471	8 45
34563	151 00
34631	10 00
34632	10 00
34656	5 71
34657	10 00
34799	73 00
34830	2 64
34833	67
34838	5 84
34839	33
34841	1 36
34844	10 00
34961	16 00
34962	16 72
35037	11 00
35046	21 00
35058	10 00
35078	11 00
35114	28 00
35115	16 00
35116	14 00
35149	43 00
35267	4 15
35307	10 00
35358	57 00
35359	10 00
35360	10 00
35381	10 00
35417	53 00
35435	83 00
35495	15 00
35499	10 00
35508	3 73
35509	1 44
35510	1 44
35511	6 63
35514	7 60
35528	10 00
35532	9 00
35533	2 31
35556	21 00
35573	7 26
35577	10 00
35602	14 00
35635	10 00
35700	10 00
35702	5 00
35709	10 00
35710	10 00
35715	6 00
35765	402 00
35772	10 00
35836	10 00
35837	10 00
35838	10 00
35839	1 22
35842	20 74
35843	20 00
35849	7 17
35850	154 00
35851	154 49
35863	11 00
35867	33 00
35886	31 00
35919	21 00
35923	23 00
35929	10 00
35948	75 76
36023	10 00
36034	87
36036	8 70
36046	16 01
36067	16 00
36198	4 45
36200	5 55
36225	18 00
36239	10 00
36270	6 15
36328	6 71
35832	20 00

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CHECKS OUTSTANDING-CONTINUED

NUMBER	AMOUNT
36329	4 00
36361	40 00
36421	10 00
36445	10 00
36515	52 00
36553	106 00
36561	141 00
36562	22 00
36576	17 00
36578	11 00
36583	4 05
36584	9 59
36616	35
36618	75 00
36629	10 00
36656	34 00
36667	10 00
36683	16 00
36690	408 00
36694	10 00
36732	36 00
36740	13 00
36749	6 40
36759	33 00
36760	33 79
36774	10 00
36778	10 00
36787	10 00
36843	17 00
36854	4 98
36855	11 57
36861	10 00
36865	112 00
36882	10 00
36892	2 20
36893	11 80
36894	3 93
36895	10 00
36902	10 00
36904	10 00
36910	10 00
36911	11 57
36913	7 34
36919	21 00
36920	26 00
36921	10 00
36922	10 00
36931	14 00
36932	37 00
36933	12 00
36940	14 00
36967	10 00
36986	68 00
36994	10 00
36998	31 00
37023	10 00
37024	10 00
37036	10 00
37040	1 300 00
37057	10 00
37058	17 00
37060	16 00
37066	10 00
37067	21 00
37071	75 00
37072	10 00
37075	41 00
37085	10 00
37087	10 00
37089	1 35
37093	10 00
37102	122 00
37105	6 48
37118	10 00
37125	10 97
37127	8 32
37128	9 00
37130	138 00
37131	15 00
37132	186 00
37133	29 00
37139	7 03
37143	29 00
37148	19 00
37149	10 00
37160	25 55
37168	21 00
37169	21 00
37170	21 00
37171	21 00
37172	21 00
37177	8 30
37179	10 00
37209	10 00
37210	10 00
37215	10 00
37216	10 00
37219	30 00
37223	6 06
37224	9 19
37225	51 00
37226	116 00
37227	41 00
37230	10 86
37233	20 44
37234	554 00
37238	336 00
37239	336 49
37240	4 55
37241	14 00
37242	67 00
37244	31 00
37245	10 00
37246	3 00
37247	3 08
37248	5 50
37249	7 98
37253	8 49
37254	11 00
37256	10 00
37270	2 66
37272	15 19
37281	1 20
37284	6 15
37289	175 01
37295	3 35
37296	14 04
37297	46 40
37314	2 66
37324	35 43
37341	52 16
37345	10 00
37346	11 05
37347	25
37348	33 00
37349	10 00

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CHECKS OUTSTANDING-CONTINUED

NUMBER	AMOUNT
37352	127 00
37361	28 00
37362	73 00
37363	73 48
37364	73 48
37365	13 00
37366	10 00
37367	15 00
37368	10 00
37369	68 00
37371	8 72
37372	10 00
37373	11 66
37374	52 00
37375	14 00
37376	1 00
37377	63 00
37378	1 00
37379	10 00
37380	1 320 00
37381	11 00
37382	1 00
37383	10 00
37384	81 00
37386	298 00
37387	10 00
37388	4 44
37389	11 00
37390	1 127 00
37391	108 00
37392	10 00
37393	10 00
37394	9 00
37395	11 00
37396	27 00
37397	17 00
37398	13 00
37399	10 00
37400	10 00
37401	774 00
37402	10 00
37403	2 12
37405	10 00
37406	7 11
37407	63 00
37408	121 00
37409	134 00
37410	143 00
37411	85 00
37412	1 00
37413	22 00
37414	23 00
37415	62 20
37416	3 73
37417	47 53
37418	52 19
37419	21 86
37420	18 20
37421	3 45
37422	26 60
37423	28 79
37424	4 69
37425	15 61
37426	2 51
37427	171 94
37428	3 20
37429	6 20
37430	4 73
37431	5 25
37432	43 65
37433	100 79
37434	18 77
37435	7 70
37436	12 00
37437	30 00
37438	10 00
37439	10 00
37440	19 00
37441	10 00
37442	10 00
37443	10 00
37444	31 00
37445	1 61
37446	2 84
37447	69 00
37448	10 00
37449	10 00
37450	76 00
37451	21 00
37452	37 00

TOTAL CHECKS OUTSTANDING 18 714 00

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SCHEDULE B

ASSESSMENT FEES DUE FROM OPEN BANKS

NAME OF BANK	LOCATION	AMOUNT DUE	
Security State Bank	~~Alamo~~ Adams	$ 281 10	
First State Bank	Alamo	111 64	
Bank of Alexander	Alexander	60 84	
First State Bank	Alfred	90 74	
State Bank of Alice	Alice	113 60	
Farmers State Bank	Almont	156 62	
Farmers State Bank	Alsen	45 74	
City State Bank	Ambrose	84 08	
Farmers State Bank	Ambrose	9 22	
~~Amenia State Bank~~	Amenia	60 78	Cancelled to State
Farmers State Bank	Anamoose	48 04	
Peoples State Bank	Aneta	88 12	
Union Bank of Antler	Antler	64 46	
Appam State Bank	Appam	128 38	
Argusville State Bank	Argusville	108 80	Consolidated —
Farmers State Bank	Arnegard	127 08	
First State Bank	Arthur	153 36	
Arvilla State Bank	Arvilla	129 24	Liquidated —
Ashely State Bank	Ashley	*619 10	
First State Bank	Ashley	333 10	
Farmers State Bank	Baldwin	37 88	Liquidated —
Pierce County State Bank	Balta	40 12	
Bank of Barney	Barney	116 38	
Bartlette State Bank	Bartlette	55 64	Closed 4-18-29
First State Bank	Barton	129 50	
Farmers State Bank	Battelview	64 42	
Farmers & Merchants Bank	Beach	280 06	
Citizens State Bank	Belfield	113 72	
Farmers State Bank	Bentley	80 22	
Farmers & Merchants Bank	Berlin	78 96	
Bank of Berthold	Berthold	272 42	
Berwick State Bank	Berwick	115 58	
German State Bank	Beulah	150 04	
First State Binford	Binford	67 80	
First State Bank	Bisbee	*109 38	Consolidated —
First Guaranty Bank	Bismarck	444 00	National —
Bordulac State Bank	Bordulac	54 80	Closed 1-7-29
Pioneer Bank of Bottineau	Bottineau	144 26	
Security State Bank	Bowden	63 84	
Emmons County State Bank	Braddock	136 62	Closed 11-1-30
Farmers State Bank	Braddock	43 70	Closed 11-3-30
Farmers State Bank	Brampton	46 28	
State Bank	Breman	*79 04	
Citizens State Bank	Brinsmade	134 10	Closed 10-11-29
First State Bank	Brisbane	51 18	
Farmers & Merchants Bank	Brocket	82 80	

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ASSESSMENT FEES DUE FROM OPEN BANKS-CONTINUED

NAME OF BANK	LOCATION	AMOUNT DUE	
State Bank of Brocket	Brocket	$ 100 08	Closed 6-5-29
Buchanan State Bank	Buchanan	82 28	Consolidated Dakota Nat'l Jamestown
First State Bank	Buford	90 42	
First State Bank	Burlington	57 88	
First State Bank	Burnstad	103 80	
Burt State Bank	Burt	*64 16	
First State Bank	Calvin	148 22	Closed 6-3-29
Foster County State Bank	Carrington	335 76	
First State Bank	Carson	171 58	Consolidated
Farmers State Bank	Cathay	104 76	
Pembina County Bank	Cavalier	93 52	Consolidated
Citizens State Bank	Cayuga	59 16	Closed 10-25-30
First State Bank	Center	113 02	
Farmers Security Bank	Chaffee	186 06	Closed 7-17-30
Cleveland State Bank	Cleveland	81 46	
Clifford State Bank	Clifford	90 02	
Bank of Cogswell	Cogswell	73 50	
Farmers State Bank	Coleharbor	*115 48	Closed 1-30-30
Northwestern State Bank	Coleharbor	56 40	Closed 12-3-28
First State Bank	Colfax	98 50	
Farmers State Bank	Colgan	46 40	Closed 1-2-30
Farmers State Bank	Columbus	238 00	
First State Bank	Concrete	9 84	Liquidated
Farmers & Merchants Bank	Cooperstown	352 26	Consolidated
First State Bank	Coteau	78 60	
First & Security Bank	Crosby	270 14	Closed 11-3-30
Merchants & Farmers Bank	Crystal	489 14	
Cummings State Bank	Cummings	138 36	
First State Bank	Dahlen	106 10	First additional 1928 not on bank records.
Farmers State Bank	Danzig	71 84	
Kidder County State Bank	Dawson	55 52	Liquidated
Deering State Bank	Deering	129 70	
First State Bank	Denhoff	67 40	
Farmers & Merchants Bank	Dickey	87 28	
Farmers State Bank	Dickinson	*179 22	
Douglas State Bank	Douglas	184 58	Closed 3-5-30
Bank of Dayon	Dayon	41 04	
Farmers State Bank	Drake	47 42	Consolidated
Union Bank of Dunn Center	Dunn Center	52 58	
Security State Bank	Dunseith	217 80	
Eckelson State Bank	Eckelson	80 76	Closed 4-9-29
State Bank of Edinburg	Edinburg	176 38	Closed 1-3-30

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ASSESSMENT FEES DUE FROM OPEN BANKS-CONTINUED

NAME OF BANK	LOCATION	AMOUNT DUE	
Security State Bank	Edmore	$ 116 88	Closed 2-24-30
First State Bank	Edmunds	25 54	Consol with Jamestown Reserve Roll
Eldridge State Bank	Eldridge	49 34	" " " Jamestown
Elgin State Bank	Elgin	83 80	
First State Bank	Elgin	77 42	Consolidated — Assessment # 12 not on bank records.
Embden State Bank	Embden	103 84	Closed Bank Balance $103.90
Citizens State Bank	Enderlin	419 26	11-4-29
Peoples Bank	Enderlin	199 00	
Citizens State Bank	Epping	137 72	Closed 11-10-30
Farmers State Bank	Erie	97 12	
Esmond State Bank	Esmond	108 82	Consolidated —
First International Bank	Esmond	146 28	
Farmers State Bank	Fairdale Lock	101 72	Moved to Edmore. —
Falkirk State Bank	Falkirk	117 66	Closed 10-18-30
Northern & Dakota Trust	Fargo	399 14	
N.W. Mutual Saving Loan	Fargo Lock	2 176 66	Mohr Rec
Wells County State	Fessenden	*192 42	
Flasher State Bank	Flasher	205 78	Closed 11-10-30
First Bank of Flaxton	Flaxton	166 12	
Flora State Bank	Flora	*41 56	Closed 12-12-28
Forbes State Bank	Forbes	189 96	
Farmers & Merchants Bank	Fordville	313 52	
Forest River State Bank	Forest River	112 38	
Citizens State Bank	Fort Rice	40 32	Closed 12-28-29
First International Bank	Fortuna	148 78	
First State Bank	Fort Yates	41 44	
Foxholm State Bank	Foxholm	51 66	Closed 11-25-30
First State Bank	Fredonia	115 12	
German State Bank	Fredonia	133 08	
First State Bank	Fryberg	22 12	Closed 7-13-30
Farmers State Bank	Fullerton	63 62	Closed 6-13-30
State Bank of Gackle	Gackle	132 56	Consolidated —
Galchutt State Bank	Galchutt	155 82	Moved to Abercrombie
Galesburg State Bank	Galesburg	193 70	Closed 7-16-30
Garder State Bank	Garder	93 66	
State Bank of Gardner	Gardner	104 72	Closed 10-28-29
First State Bank	Garrison	154 42	Closed 4-26-30
Bank of Goroke	Goroke	207 48	Consolidated —
First State Bank	Gascoyne	95 56	
First State Bank	Silby	98 08	
Gladstone State Bank	Gladstone	165 54	
Lincoln State Bank	Glenburn	192 46	

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ASSESSMENT FEES DUE FROM OPEN BANKS-CONTINUED

NAME OF BANK	LOCATION	AMOUNT DUE	
First State Bank	Glenfield	35 90	closed 6-29-29
Farmers & Merchants Bank	Glen Ullin	548 50	Liquidated —
Glover State Bank	Glover	46 36	closed 4-10-30
First State Bank	Golva	67 06	
Citizens State Bank	Goodrick	188 98	
Farmers & Merchants Bank	Grace City	* 38 80	closed 7-1-29
First State Bank	Grace City	97 04	Assessment #12 not on bank records.
Scandia American Bank	Grafton	362 14	Closed 6-1-29
Marithan State Bank	Grand Forks	498 84	Consolidated —
N.W. Trust Co.	Grand Forks	120 44	
Guaranty State Bank	Granden	149 22	Liquidated —
State Bank of Grand Rapids	Grand Rapids	53 00	Consolidated —
First State Bank	Granville	102 22	
Farmers State Bank	Great Bend	70 30	
Northwestern State Bank	Grenora	134 44	
Guelph State Bank	Guelph	64 64	
Gwinner State Bank	Gwinner	138 32	closed 1-11-30
First State Bank	Hague	254 56	
Security State Bank	Halliday	105 66	
First State Bank	Homor	36 04	First Additional 1928 not on bank records.
Farmers State Bank	Hamberg	111 26	
Bank of Hamilton	Hamilton	85 58	
Farmers & Merchants Bank	Hankinson	123 16	closed 3-17-30
Security State Bank	Hannahford	486 08	
Farmers State Bank	Harvey	220 66	Consolidated —
Harwood State Bank	Harwood	115 96	
Havana State Bank	Havana	233 42	Closed 11-25-30
Union State Bank	Hazen	146 34	
Farmers State Bank	Heaton	133 62	
Farmers State Bank	Heid	48 54	
State Bank of Heimdal	Heimdal	169 42	
Adams County State Bank	Hettinger	490 90	
Peoples State Bank	Hillsboro	522 08	
Farmers State Bank	Hoople	206 30	First additional 1928 not on bank records.
Bierrell State Bank	Horace	34 74	
Farmers & Merchants Bank	Hurdsfield	81 58	Closed 10-13-30
Security Savings Bank	Jamestown	350 84	~~First James R Kelly Jamestown~~ First additional 1928 not on bank records.
State Bank of Jessie	Jessie	88 02	closed 11-14-29
First State Bank	Juanita	50 72	closed 6-7-29

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ASSESSMENT FEES DUE FROM OPEN BANKS-CONTINUED

NAME OF BANK	LOCATION	AMOUNT DUE	
First State Bank	Judson	$ 106 58	
Sheyenne Valley Bank	Kathryn	277 32	
First State Bank	Kempton	79 82	Closed 6-11-29
Security State Bank	Killdeer	114 10	Consolidated
Farmers & Merchants Bank	Kindred	640 08	
Kindred State Bank	Kindred	479 60	
Security State Bank	Kintyre	126 62	Closed 12-29-28
First State Bank	Klaten	134 72	Closed 5-17-29
Farmers State Bank	Knox	119 80	
First State Bank	Kulm	288 62	
Farmers & Merchants Bank	Lakota	260 34	Closed 6-5-29
La Moure State Bank	La Moure	150 78	
First International Bank	Landa	164 64	
Northwestern Bank	Langdon	143 34	
Citizens State Bank	Lankin	277 54	
Citizens State Bank	Lansford	162 94	Closed 5-7-30
Elk Valley Bank	Larimore	253 24	
Security State Bank	Lawton	60 66	Closed 10-30-30
Farmers State Bank	Leeds	173 96	
Lefor State Bank	Lefor	46 66	
Farmers & Merchants Bank	~~Leki~~ Lehr	255 44	Consol with 2 & 3
State Bank of ~~Leki~~ Lehr	~~Leki~~ Lehr	103 98	Consol with 2 & 3
Farmers State Bank	Leith	60 32	
Farmers Bank in Leonard	Leonard	191 66	Closed 5-12-30
First State Bank	Lignite	180 26	
Lincoln Valley State Bank	Lincoln Valley	54 54*	
Peoples State Bank	Linton	261 92	Closed 10-22-30
Farmers State Bank	Lisbon	190 26	
State Bank of Lisbon	Lisbon	571 48	Closed 10-11-30
First State Bank	Loma	64 24	Closed 10-17-29
First State Bank	Ludden	51 58	Closed 3-13-29
Farmers State Bank	Maddock	476 12	
Reservation State Bank	Makoti	106 88	
Farmers State Bank	Mandan	604 28	
Mapelton State Bank	Mapelton	82 20	Consolidated
State Bank of Marion	Marion	450 00	
Marton State Bank	Martin	84 30	Closed 1-4-30
First State Bank	Max	124 68	
Goose River State Bank	Mayville	735 72	
Bank of McConna	McConna	87 58	Closed 6-17-30
Sheridan County State Bank	McClusky	128 42	
McGregor State Bank	McGregor	86 72	Closed 10-4-30
Farmers & Merchants Bank	McHenry	75 28	Closed 12-24-28
McKinock State Bank	McKinock	84 38	
State Bank of McVille	McVille	81 42	Reorganized

Union

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ASSESSMENT FEES DUE FROM OPEN BANKS-CONTINUED

NAME OF BANK	LOCATION	AMOUNT DUE	
Security State Bank	Medina	$ 109 14	Closed 3-22-30
Stockmens State Bank	Medora	61 06	
First State Bank	Mercer	45 40	
Mercer State Bank	Mercer	72 34	
First State Bank	Merricourt	92 88	Closed 11-8-29
Millerton State Bank	Millerton	25 42	Conv. James River Nat'l Jamestown
Minnewaukan State Bank	Minnewaukan	84 24	Closed 10-24-30
Citizens Bank of Minot	Minot	108 46	
First International Bank	Minot	685 26	First additional 1928 not on bank records.
Bank of Minto	Minto	291 60	
Moffet State Bank	Moffit	81 12	
Citizens State Bank	Mohall	67 82	
Renville County Bank	Mohall	*75 60	
Bank of Monango	Monango	75 82	Closed 11-18-30
Montpelier State Bank	Montpelier	64 52	
Farmers State Bank	Morreton	46 70	
Merchants Bank	Napoleon	56 14	
Farmers & Merchants Bank	New England	214 54	
First State Bank	New Leipzig	132 54	
Farmers State Bank	New Rockford	86 58	Consolidated —
Farmers & Merchants Bank	New Salem	371 28	
First State Bank	New Salem	372 00	
Security State Bank	Niagara	87 26	
Farmers & Merchants Bank	Niobe	98 10	
Nome State Bank	Nome	68 10	
First International Bank	Noonan	192 62	
Security State Bank	Noonan	238 32	
First State Bank	Northgate	71 64	
Bank of Oberon	Oberon	154 58	
Security State Bank	Overly	31 36	closed 3-6-30 First additional asses. of 1928 not on bank records.
Scandia American Bank	Palermo	69 56	
Farmers Security Bank	Park River	280 70	Consolidated —
Peoples State Bank	Parshall	85 14	Consolidation 1st Nat'l Parshall
Bank of Pekin	Pekin	187 96	
Penn State Bank	Penn	72 80	
Farmers State Bank	Petersburg	144 06	
Pettibone State Bank	Pettibone	285 94	
Pillsbury State Bank	Pillsbury	* 99 74	
Pingree State Bank	Pingree	74 92	Reorganized —
Union Bank of Portal	Portal	132 78	Closed 8-22-30
First State Bank	Powers Lake	188 16	
First Security Bank	Raleigh	58 42	
Pioneer State Bank	Raub	33 30	
First State Bank	Ray	119 26	Closed 5-20-29

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ASSESSMENT FEES DUE FROM OPEN BANKS-CONTINUED

NAME OF BANK	LOCATION	AMOUNT DUE	
First State Bank	Reeder	227 52	closed Sept 1-19-30
First State Bank	Regan	34 80	No report.
First State Bank	Regent	189 76	
State Bank of Reynolds	Reynolds	408 92	
Bank of Rhame	Rhame	283 66	
Farmers State Bank	Richardton	229 06	
Merchants State Bank	Richardton	487 60	
Security State Bank	Robinson	* 38 94	
Rolette State Bank	Rolette	139 22	
Farmers & Merchants Bank	Rolla	97 54	Closed 3-29-29
Roseglen State Bank	Roseglen	23 08	Liquidated —
State Bank of Ross	Ross	68 26	Closed 6-4-30
Citizens State Bank	Rugby	427 02	
Merchants Bank	Rugby	292 34	
State John State Bank	St. John.	61 52	Liquidated 11-12-29 —
Farmers State Bank	St. Thomas	163 10	Closed 5-20-29
Commercial State Bank	Sanish	124 48	
Bank of Scranton	Scranton	54 24	
Selfridge State Bank	Selfridge	112 56	
Farmers State Bank	Selz	111 00	
Interstate Bank	Sentinel Butte	105 92	
Farmers State Bank	Sheldon	160 40	
First International Bank	Sherwood	196 66	Closed 10-21-30
Farmers & Merchants Bank	Sheyenne	300 90	
Shields State Bank	Shields	65 36	Closed 7-12-29
First State Bank	Silva	117 72	
Solen State Bank	Solen	111 76	
State Bank of Souris	Souris	228 34	
Southam State Bank	Southam	41 04	
First State Bank	South Heart	100 42	
Spiritwood State Bank	Spiritwood	153 56	Corro. James R Nat'l Jamestown
Bank of Stanley	Stanley	94 10	
Farmers Bank of Starkweather	Starkweather	146 74	
State Bank of Starkweather	Starkweather	105 84	
Sterling State Bank	Sterling	154 28	
First State Bank	Strasburg	353 38	Bank reports $108 short
Security State Bank	Strasburg	223 32	
Citizens State Bank	Sutton	140 80	Closed 7-3-29
Citizens State Bank	Sykeston	48 12	Closed 1-23-30
Sykeston State Bank	Sykeston	115 90	Closed 1-21-29
Tappen State Bank	Tappen	178 48	Closed 3-13-30
Templeton State Bank	Temvik	86 30	Closed 10-22-30
Tioga State Bank	Tioga	147 46	Closed 10-3-30
Security State Bank	Tolley	64 70	
Farmers & Merchants Bank	Tolna	151 64	

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ASSESSMENT FEES DUE FROM OPEN BANKS-CONTINUED

NAME OF BANK	LOCATION	AMOUNT DUE	
Pioneer State Bank	Towner	296 00	
First State Bank	Turtle Lake	282 00	
Security State Bank	Underwood	169 40	
Security State Bank	Upham	186 98	Closed 4-8-30
American Exchange Bank	Valley City	597 74	Consolidated —
Middle West Trust	Valley City	332 14	Consolidated —
Farmers State Bank	Van Hook	174 68	Consolidated —
Peoples State Bank	Velva	164 98	
First State Bank	Venturia	231 26	
Farmers & Merchants Bank	Verona	82 32	Closed 3-29-30
State Bank of Verona	Verona	65 14	Consol with Merchants
Citizens State Bank	Wales	119 80	Closed 6-10-29
Security State Bank	Warwick	34 70	
Farmers Security Bank	Washburn	111 70	
Washburn State Bank	Washburn	138 68	
First State Bank	Watford City	301 98	
Security State Bank	Watford City	85 22	
Bank of Webster	Webster	119 84	
Farmers State Bank	Wellsburg	120 90	
Peoples State Bank	Westhope	199 76	
First State Bank	Wheelock	22 80	
First State Bank	White Earth	63 24	Closed 1-29-30
First City Bank	Wildrose	149 88	Closed 11-26-30
Security State Bank	Wildrose	136 16	Closed 1-31-29
Commercial State Bank	Williston	197 32	
Wilton State Bank	Wilton	178 36	Consolidated —
Farmers & Merchants Bank	Wimbledon	57 84	
Farmers State Bank	Windsor	78 20	
First State Bank	Wishek	308 66	
Security State Bank	Wishek	199 62	
Farmers State Bank	Watford City	140 38	Consolidated —
Farmers State Bank	Woodworth	135 72	
Bank of Wyndmere	Wyndmere	255 30	
Bank of York	York	180 10	Closed 11-15-30
Farmers State Bank	Ypsilanti	72 74	
State Bank of Zahl	Zahl	125 20	Closed 10-27-30
First State Bank	Zap	136 78	
German State Bank	Zeeland	164 34	
Zeeland State Bank	Zeeland	615 30	
Banks in process of Liquidation			
Bank of Conway	Conway	250 95	
City State Bank of Jud	Jud	509 47	— Look up acct
Farmers State Bank	Orren	80 22	
Citizens State of Wheelock	Wheelock	75 57	

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ASSESSMENT FEES DUE FROM OPEN BANKS-CONTINUED

NAME OF BANK	LOCATION	AMOUNT DUE	
Banks that have Nationalized.			
First State Bank	Adrian	359 03	Taken over by First National Bnk of Montpelier
Farmers State Bank	Buxton	381 57	Taken over by First Nat'L. of Buxton
Merchants & Farmers Bank	Cavalier	279 33	Became Merchants Nat'l. Bank of Cavalier.
Logan County Bank	Gackle	472 92	Taken over by First Nat'l. Bank of Gackle.
State Bank of Guthrie	Guthrie	116 27	Taken over by First Nat'l. of Drake.
Stock Growers Bank	Marmoth	309 54	Taken over by First Nat'l. of Marmoth.
Farmers Exchange Bank	Parshall	558 46	Taken over by First Nat'l of Parshall.
Pioneer State Bank	Plaza	379 92	Taken over by First Nat'l. of Plaza.
Citizens State Bank	Sharon	48 62	Taken over by First Nat'l. of Sharon.
Taylor State Bank	Taylor	835 17	Now Security Nat'l. of Taylor.
Bank of Valley City	Valley City	754 32	Taken over by Sec. Nat'l. - Valley City
Lambs Bank	Whitman	550 55	Now First National Bank of Whitman.
Security State Bank	Rugby	340 75	Taken over by City Bank of Rugby. Assessment in dispute.
		$ 61 510 74	

Note:- * Indicate banks which did not respond with verification of assessments before the close of the audit.

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DETAIL C

DEPOSITOR'S GUARANTY FUND

ASSESSMENT FEES DUE FROM CLOSED BANKS

NAME OF BANK	LOCATION	AMOUNT
Farmers and Merchants Bank	Aneta	451 80
State Bank of Aurelia	Aurelia	536 30
Baldwin State Bank	Baldwin	946 50
Balfour State Bank	Balfour	557 65
State Bank of Berthold	Berthold	1 033 70
First State Bank	Beulah	965 55
Bottineau County Bank	Bottineau	1 264 15
Bucyrus State Bank	Bucyrus	178 80
Peoples State Bank	Casselton	199 79
Farmers and Merchants Bank	Cogswell	2 549 40
First State Bank	Columbus	211 20
Crete State Bank	Crete	444 55
State Bank of Davenport	Davenport	433 20
Dazey State Bank	Dazey	668 15
De Lamere State Bank	De Lamere	903 90
Farmers Bank of Dunn County	Dunn Center	819 55
First State Bank	Dunn Center	1 013 05
First State Bank	Easby	1 035 53
Farmers Bank	Fessenden	303 60
Farmers Bank of Garrison	Garrison	754 25
Granville State Bank	Granville	298 15
State Bank of Grenora	Grenora	213 85
State Bank of Hanks	Hanks	143 52
State Bank of Hannah	Hannah	1 343 70
Farmers and Merchants Bank	Kensal	261 75
First State Bank	Kief	139 45
Citizens State Bank	Langdon	3 935 55
First State Bank	Lone Tree	328 25
Citizens State Bank	Maddock	151 62
Farmers and Merchants Bank	Manitou	239 15
Maxbass Security Bank	Maxbass	313 20
State Bank of Maxbass	Maxbass	853 40
First State Bank	Minto	615 39
Bank of Mowbray	Mowbray	251 20
First State Bank	Mylo	246 25
Bank of New Rockford	New Rockford	923 04
Norma State Bank	Norma	260 65
Nortonville State Bank	Nortonville	505 55
City Bank of Omemee	Omemee	1 242 40
Bank of Orr	Orr	1 529 10
Great Western Bank	Osnabrock	1 218 55
Farmers State Bank	Page	191 50
Bank of Perth	Perth	891 60
Towner County Bank	Perth	1 183 40
Pisek State Bank	Pisek	445 15

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ASSESSMENT FEES DUE FROM CLOSED BANKS-CONTINUED

NAME OF BANK	LOCATION	AMOUNT
Farmers Bank of Ray	Ray	2 159 00
Regan State Bank	Regan	129 00
State Bank of Rolla	Rolla	204 96
First State Bank	Ruso	992 05
First State Bank	Ryder	578 00
First State Bank	Stanton	564 85
Underwood State Bank	Underwood	1 145 20
Farmers & Merchants State Bank	Wahpeton	251 00
Merchants State Bank	Warner	835 40
State Bank of Wheatland	Wheatland	76 40
	AMOUNT TO STATEMENT	39 931 85

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DETAIL D

SPECIAL DEPOSITS WITH CLOSED BANKS

NAME OF BANK	LOCATION	BALANCE NOV.30-1926	EXPENSE CHARGES DR.	COLLECTION CR.	BALANCE NOV.30-1928
Clyde State Bank	Clyde	$ 5 116 60		$ 5 116 60	
Farmers Bank of Dunn Center	Dunn Center	1 288 31			$ 1 288 31
State Bank of Grenora	Grenora	2 990 98		1 592 86	1 398 12
Security State Bank	Hanks	6 277 10		363 48	5 913 62
State Bank of Maxbass	Maxbass	8 331 81	$ 1 767 83	469 25	9 630 39
Scandinavian American Bank	Minot	4 167 45			4 167 45
Farmers State Bank	Nome	2 658 06		2 658 06	
Farmers Bank of Ray	Ray	589 93			589 93
Farmers & Merchants Bank	Sherwood	7 821 87	16 00	615 43	7 222 44
Tolley State Bank	Tolley	5 193 09		* 4 167 591	5 193 09
Williams County State Bank	Williston	16 885 80	5 436 97	257 971-	17 897 21
Williston State Bank	Williston	11 018 74			11 018 74
	TOTALS	72 339 74	7 220 80	15 241 24	64 319 30

* Collection Account in Bank of North Dakota

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DETAIL E

ACCOUNTS RECEIVABLE (SPECIAL CLAIM ACCOUNTS)

State Bank of Grenora	Grenora	$ 17 75
City Bank of Maddock	Maddock	47 40
City Bank of Omemee	Omemee	244 12
Farmers Bank of Ray	Ray	1 60
State Bank of Rolla	Rolla	1 60
	TOTAL	312 47

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DETAIL F

DEPOSITOR'S GUARANTY FUND

3% ASSESSMENT ACCOUNT - NEW BANKS

Citizens State Bank	Jud	$ 450 00
Merchants & Farmers Bank	Crystal	450 00
Security State Bank	Hannaford	450 00
State Bank of Marion	Marion	450 00
AMOUNT TO STATEMENT		1 800 00

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DETAIL C

DEPOSITOR'S GUARANTY FUND

UNDISTRIBUTED SPECIAL DIVIDEND FROM RECEIVER OF CLOSED BANKS

LOCATION	NAME OF BANK	BALANCE TURNED OVER BY RECEIVER	PAYMENTS MADE TO DEPOSITORS	BALANCE DUE DEPOSITORS
Belfield	Farmers State Bank	$ 5 505 03	$ 4 701 89	$ 803 14
Bowbells	Burke County Bank	5 553 37	5 465 22	88 15
Bowman	State Bank of Bowman	12 350 00	11 674 22	675 78
Brantford	Security State Bank	3 639 17	3 573 09	66 08
Carpio	First Security Bank	1 533 80	1 417 96	115 84
Center	Bank of Oliver County	4 427 22	3 730 61	696 61
Columbus	Security State Bank	4 798 40	4 366 87	431 53
Coulee	Coulee Dairy Bank	2 968 43	1 978 52	989 91
Crary	Farmers Bank of Crary	8 575 13	8 446 20	128 93
Derrick	Farmers Bank of Derrick	644 76	547 38	97 38
Devils Lake	Devils Lake State Bank	11 592 17	11 124 98	467 19
Fingal	Merchants State Bank	9 872 84	9 727 64	145 20
Flaxton	City Bank	12 415 19	11 782 34	632 85
Fort Ransom	Fort Ransom State Bank	9 976 14	9 031 75	944 39
Fortuna	Fortuna State Bank	12 347 74	11 682 29	665 45
Grand Forks	Peoples State Bank	17 153 48	16 286 55	866 93
Hazen	Citizens State Bank	14 639 27	13 382 59	1 256 68
Hazen	Farmers Bank of Mercer Co.	4 286 23	3 299 34	986 89
Hazen	First State Bank	6 959 54	5 686 81	1 272 73
Hesper	Farmers State Bank	1 550 29	1 424 55	125 74
Karnah	Karnah State Bank	2 045 26	1 805 11	240 15
Killdeer	First State Bank	5 663 27	5 186 71	476 56
Leeds	Farmers & Merchants Bank	18 958 80	18 426 83	531 97
Leith	Peoples State Bank	8 310 67	7 005 08	1 305 59
Litchville	First State Bank	17 880 65	17 715 67	164 98
Manning	First State Bank	1 262 98	1 200 14	62 84
Menoken	Menoken Farmers St. Bank	348 10	280 48	67 62
Minot	First Farmers Bank	27 320 04	26 332 81	987 23
Neche	Farmers State Bank	2 934 95	2 040 62	894 33
New Salem	State Bank of New Salem	34 009 97	33 013 84	996 13
Oberon	Security Bank of Oberon	4 142 28	4 011 75	130 53
Oriska	State Bank of Oriska	12 161 28	11 690 13	471 15
Prosper	Prosper State Bank	9 358 40	9 087 26	271 14
Sanger	Farmers Exchange St. Bank	1 587 94	1 405 53	182 41
Sheyenne	Security Bank	15 529 10	14 973 16	555 94
Souris	Mouse River Valley	6 086 59	5 420 55	666 04
Timmer	Timmer State Bank	1 185 19	1 146 84	38 35
Watford City	McKenzie County Bank	8 202 84	7 430 25	772 59
Wing	Burleigh County State Bank	4 886 94	4 184 90	702 04
		332 663 45	311 688 46	

AMOUNT TO STATEMENT 20 974 99

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DETAIL J

DEPOSITOR'S GUARANTY FUND

BANK ASSESSMENTS LEVIED

DEC. 1, 1926 TO NOV. 30, 1928

REGULAR AND SPECIAL 1/20 of 1% ASSESSMENTS			
12-15-26	Second Additional Assessment for	1926	$ 35 349 93
1-15-27	Third " "	1926	34 945 51
2-15-27	Fourth " "	1926	34 619 04
10-15-27	Assessment #11	1927	31 258 57
11-15-27	First Additional Assessment for	1927	31 088 30
12-15-27	Second " "	1927	30 667 74
1-15-28	Third " "	1927	29 956 28
2-15-28	Fourth " "	1927	29 767 33
10-15-28	Assessment # 12	1928	28 024 05
11-15-28	First Additional Assessment for	1928	27 943 67
	TOTAL BANK ASSESSMENTS		313 620 42
	Less: Assessment Adjustments		1 658 43
			$ 311 961 99
	Accrued Assessments levied on banks after they had closed		6 985 90
	3% Assessment on new banks closed into assessment account		4 417 00
	TOTAL AMOUNT OF ASSESSMENT		323 364 89

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DETAIL K

DEPOSITOR'S GUARANTY FUND

INTEREST RECEIVED ACCOUNT

DEC.1, 1926 TO NOV.30, 1928

Interest received on average daily balances from Bank of North Dakota

For Month of	Nov. 1926	$ 363 64
" "	Dec. "	336 82
" "	Jan. 1927	298 53
" "	Feb. "	312 44
" "	Mar. "	298 84
" "	April "	265 21
" "	May "	226 20
" "	June "	136 63
" "	July "	114 97
" "	Aug. "	120 68
	Sept. ")	
" "	Oct. ")--	379 80
	Nov. ")	
" "	Dec. "	239 94
" "	Jan. 1928	133 36
" "	Feb. "	129 74
" "	March "	146 64
" "	April "	112 71
" "	May "	81 54
" "	June "	111 40
" "	July "	101 63
" "	Aug. "	77 60
" "	Sept. "	99 42
" "	Oct. "	145 29
" "	Nov. "	84 34
AMOUNT TO STATEMENT		4 317 37

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DETAIL L

DEPOSITOR'S GUARANTY FUND

EXAMINATION FEE INCOME

DEC.1-1926 TO NOV.30-1928

NAME OF BANK	LOCATION	AMOUNT
Pillsbury State Bank	Pillsbury	$ 71 50
Merchants Bank	Napoleon	60 00
State Bank of Antler	Antler	35 25
Stirum State Bank	Stirum	60 00
Farmers State Bank	Anamoose	60 00
Peoples State Bank	Knox	336 04
Bank of Wyndmere	Wyndmere	89 46
State Bank of Hooples	Hoople	60 00
State Bank of McVille	McVille	109 62
Citizens Bank of Drayton	Drayton	60 00
Pioneer State Bank	Luverne	60 00
Merchants Bank	Napoleon	75 04
Selfridge State Bank	Selfridge	75 00
Merchants Bank of Pembina	Pembina	60 00
Merchants Bank of Hebron	Hebron	60 00
First State Bank	Walcot	60 00
Bank of Niagara	Niagara	60 00
New Leipzig State Bank	New Leipzig	60 00
Rolette State Bank	Rolette	60 00
Bank of Hazelton	Hazelton	60 00
Farmers State Bank	Anamoose	117 22
Pisek State Bank	Pisek	108 00
Tokio State Bank	Tokio	60 00
State Bank of Finley	Finley	60 00
Farmers State Bank	Mantador	48 90
Rolette State Bank	Rolette	127 98
State Bank of Regens	Rogers	60 00
	AMOUNT TO STATEMENT	2 154 01

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DETAIL O

SUMMARY OF ALL EXPENSES PAID FOR OPERATION OF DEPOSITORS GUARANTY FUND FOR TWO YEAR PERIOD DEC.1-1926 TO NOV.30-1928

	EXPENSE PAID FROM STATE GENERAL FUND APPROPRIATION	EXPENSE PAID FROM GUARANTY FUND	TOTAL EXPENSE
Commissioners Per Diem	$ 1 885 00		$ 1 885 00
Clerk Hire	11 616 48		11 616 48
Postage	3 630 44		3 630 44
Supplies	987 47		987 47
Furniture and Fixtures	1 414 69		1 414 69
Printing	1 512 24		1 512 24
Miscellaneous	2 209 46	200 00	2 409 46
Commission Traveling Expense	1 834 07		1 834 07
Inspectors Salary	3 970 86	4 029 14	8 000 00
Inspectors Traveling Expense	1 138 32		1 138 32
Secretary Salary		1 166 67	1 166 67
Auditors Salary		4 800 00	4 800 00
Auditors Traveling Expense		3 455 59	3 455 59
Referee Salaries		19 700 01	19 700 01
Referee Traveling Expense		1 772 78	1 772 78
Special Legal Services		947 52	947 52
Paid to State General Fund as Provided by Chap. 259 S.L. 1927		4 000 00	4 000 00
TOTALS	30 199 03	40 071 71	70 270 74

See following pages for further details.

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OPERATING EXPENSES PAID FROM 1925 - 1927 APPROPRIATION FROM STATE GENERAL FUND

MONTH	TOTAL PAYMENTS	COMMISSIONERS SALARY	CLERK HIRE	POSTAGE	SUPPLIES	FURNITURE AND FIXTURES	PRINTING	MISC.	COMMISSIONERS TRAVELING	INSP. SALARY	INSP. TRAVELING
December 1926	$ 949 39	$ 110 00	$ 410 00	$ 58 00	$ 19 00		$ 38 96	$ 31 00	$ 115 76	$ 166 67	
January 1927	1 500 46			38 00	28 57	$ 269 09	83 00	912 45			$ 169 35
February	925 02		463 49	278 72				16 15		166 66	
March	1 385 71	310 00	535 00	72 00	22 45	45 75	53 19	26 50	154 15	166 67	
April	1 923 44	355 00	535 00	36 00		249 80	47 82	320 30	212 85	166 67	
May	2 195 60	135 00	535 00	585 12		184 35	111 01	104 38	114 71	333 333	92 70
June	3 577 73	125 00	1 070 00	1 801 40			170 01	38 44	181 85	137 53	53 50
TOTAL	12 457 35	1 035 00	3 548 49	2 869 24	70 02	748 99	503 99	1 449 22	779 32	1 137 53	315 55
Appropriation Balance Dec. 1,1926	26 135 53	2 115 00	7 056 67	4 383 36	74 10	1 486 58	1 376 32	1 647 22	2 641 59	1 137 53	4 217 16
Expense Payments as above	12 457 35	1 035 00	3 548 49	2 869 24	70 02	748 99	503 99	1 449 22	779 32	1 137 53	315 55
UNEXPENDED REVERTING TO GEN. FUND	13 678 18	1 080 00	3 508 18	1 514 12	4 08	737 59	872 33	198 00	1 862 27		3 901 61

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OPERATING EXPENSE PAID FROM 1927 - 1929 APPROPRIATION FROM STATE GENERAL FUND

MONTH	TOTAL PAYMENTS	COMMISSIONERS SALARY	CLERK HIRE	POSTAGE	MISC.	SUPPLIES	FURNITURE & FIX.	PRINTING	TRAVELING COMM.	INSP. SALARY	TRAVELING INSPECTORS
July 1927	$ 641 88		$ 175 00		$ 9 00			$ 405 13	$ 52 75		
August	618 27	$ 20 00	385 00		46 61					$ 166 66	
September	1 073 37	40 00	560 00		9 60	$ 53 07		105 18		166 67	$ 138 85
October	1 351 75	120 00	410 00		7 57	349 50		59 41	169 35	166 67	69 25
November	701 01		465 00		19 90			49 45		166 66	
December	1 624 46	170 00	790 00		16 75	1 90		11 11	209 76	333 34	91 60
January 1928	134 48	25 00			12 93	63 56		32 99			
February	623 27		413 00		34 46			9 15		166 66	
March	1 132 79	105 00	485 00	20 00	9 98	62 65		84 04	137 31	166 67	62 14
April	1 065 67	60 00	485 00	30 00	10 10	250 27		29 16	34 47	166 67	
May	1 646 68	80 00	970 00	72 00	12 75	66 75			111 85	333 33	
June	1 004 52		485 00	54 00	20 70	69 75	150 00	58 40		166 67	
July	801 08	80 00		36 00	303 01		63 70	11 77	160 64		145 96
August	1 065 31	35 00	325 00		54 68		452 00	31 97		166 66	
September	732 73		380 00		115 57			70 49		166 67	
October	1 980 73	115 00	613 32	513 20	35 10			43 85	178 62	166 67	314 97
November	1 543 68		1 126 67	36 00	41 53			6 15		333 33	
TOTAL EXPENDITURES JULY 1-1926 to NOVEMBER 30-1928	17 741 68	850 00	8 067 99	761 20	760 24	917 45	665 70	1 008 25	1 054 75	2 833 33	822 77
APPROPRIATION AUTHORIZED BY SUB.DIV. 20 CHAP.24 S.L.1927	49 050 00	3 000 00	15 800 00	6 000 00	2 500 00	1 000 00	750 00	2 000 00	4 000 00	8 000 00	6 000 00
Expenditures as above	17 741 68	850 00	8 067 99	761 20	760 24	917 45	665 70	1 008 25	1 054 75	2 833 33	822 77
BALANCE NOV.30-1928	31 308 32	2 150 00	7 732 01	5 238 80	1 739 76	82 55	84 30	991 75	2 945 25	5 166 67	5 177 23

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OPERATING EXPENSE PAID DIRECT FROM DEPOSITORS GUARANTY FUND

	TOTAL PAYMENTS	OFFICE SALARIES	INSPECTORS SALARIES	AUDITOR SALARY	REFEREE SALARIES	AUDITORS TRAVEL.	REFEREE TRAVEL.	LEGAL SERVICES	MISC.
December 1926	$ 2 539 60	$ 166 67	$ 166 67	$ 200 00	$ 820 84	$ 157 83	$ 80 07	$ 947 52	
January 1927	170 02					170 02			
February	1 492 75	166 66	166 66	200 00	820 83	110 21	28 39		
March	1 797 39	166 67	166 67	200 00	820 83	163 18	280 04		
April	1 766 29	166 67	166 67	200 00	820 84	298 79	113 32		
May	1 908 04	333 33	333 33	200 00	820 83	133 83	86 72		
June	2 674 23	166 67	195 81	400 00	1 641 67	211 99	58 09		
July	200 00								$ 200 00
August	1 412 10		166 66	200 00	820 83	148 35	76 26		
September	1 364 57		166 67	200 00	820 83	112 05	65 02		
October	1 301 44		166 67	200 00	820 83	113 94			
November	1 646 95		166 66	200 00	820 83	145 29	314 17		
December	2 375 02		333 34	400 00	1 641 68				
January 1928	370 28					294 65	75 63		
February	1 320 32		166 66	200 00	820 83	132 83			
March	1 371 73		166 67	200 00	820 84	146 55	37 67		
April	1 347 08		166 67	200 00	820 83	112 33	47 25		
May	1 428 65		166 66	200 00	820 83	167 44	73 72		
June	2 614 68		333 34	400 00	1 641 67	147 75	91 92		
July	157 04					135 14	21 90		
August	1 391 91		166 66	200 00	820 83	135 08	69 34		
September	1 359 55		166 67	200 00	820 84	125 83	46 21		
October	1 435 04		166 67	200 00	820 83	149 73	97 81		
November	2 627 03		333 33	400 00	1 641 67	142 78	109 25		
TOTAL	36 071 71	1 166 67	4 029 14	4 800 00	19 700 01	3 455 59	1 772 78	947 52	200 00

Balance in fund Dec. 1, 1926	12 384 09	
Transferred to State Treas. July 1917	20 000 00	
Transferred to State Treas. July 1918	20 000 00	
Expenditures from fund		36 071 71
Difference Prior to Nov. 30, 1926		01
Balance in Fund Nov. 30, 1928		16 312 37
	52 384 09	52 384 09

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OFFICERS AND EMPLOYEES OF DEPOSITORS GUARANTY FUND COMMISSION

NAME	ADDRESS	POSITION	RATE	PAYROLL FOR MONTH OF NOVEMBER 1928 TIME	PAYROLL FOR MONTH OF NOVEMBER 1928 AMOUNT	DATE OATH OF OFFICE FILED	AMOUNT OF BOND WITH STATE BONDING DEPARTMENT	EXPIRATION DATE OF BOND
S. G. Severtson	Bismarck	Member of Commission	$ 5.00 per diem			7-14-26	$ 10 000 00	7-1-29
H. A. Fisher	Washburn	Member of Commission	5.00 per diem			7-19-27	10 000 00	7-1-29
A. W. Engel	Esmond	Member of Commission	5.00 per diem			7-10-28	10 000 00	7-1-31
F. W. Cathro	Bottineau	Inspector	4 000 00 per yr.		$ 333 33	7-6-25	10 000 00	7-1-29
Gilbert Semingson	Bismarck	Secretary-Treas Ex. Officio			July 6-1929	6-28-27 July	30 000 00	7-1-29
C. J. Fisk	Minot	Referee	4 000 00 per yr.	1 mo.	333 34	4-2-25	10 000 00	4-2-29
Clyde Duffy	Devils Lake	Legal Counsel	300 00 per mo.	1 mo.	300 00	5-2-25 6-27-1929	10 000 00	7-1-29
Joe E. Sullivan	Mandan	Reporter	187 50 per mo.	1 mo.	187 50	4-29-25	10 000 00	7-1-29
D. J. Heaney	Courtenay	Auditor	200 00 per mo.	1 mo.	200 00	12-1-26	10 000 00	7-1-29
H. R. Winter		Clerk	175 00 per mo.	1 mo.	175 00	July 6-1929		
Dorothy Rosch		Stenographer	100 00 per mo.	1 mo.	100 00			
Lena Wellenbring		Stenographer	110 00 per mo.	1 mo.	110 00			
Mabel N. Larson		Stenographer	100 00 per mo.	1 mo.	100 00			

Jan 31 1930

10,000

July 1-1931 10,000

30,000

10,000

10,000

10,000

10,000

Fitcher

July 1-1931 10,000

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73 new - Removed - Reopened

DETAIL P

DEPOSITOR'S GUARANTY FUND

10% GENERAL DIVIDENDS PAID DEPOSITORS-CLOSED BANKS

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
State Bank of Abercrombie	Abercrombie	Feb. 29, 1928	$ 101 088 83		
First State Bank	Amidon	June 8, 1921	200 761 03		$ 8 109 32
Slope County Bank	Amidon	June 8, 1921	227 669 05		9 137 39
Farmers & Merchants Bank	Aneta	Aug. 13, 1925	68 779 33		
State Bank of Antler	Antler	Sept. 30, 1924	133 913 27		8 752 01
State Bank of Ardock	Ardock	Jan. 3, 1928	53 747 20		
Arena State Bank	Arena	Feb. 11, 1927	5 215 73		
State Bank of Aurelia	Aurelia	May 18, 1926	50 144 33		
Ayr State Bank	Ayr	Nov. 15, 1926	103 823 72		
Baldwin State Bank	Baldwin	Nov. 19, 1923	114 182 47		4 864 52
American State Bank	Balfour	Feb. 25, 1924	150 613 92		10 076 92
Balfour State Bank	Balfour	Sept. 16, 1926	41 179 36		
State Bank of Bantry	Bantry	Nov. 20, 1920	78 704 63		6 404 94
Union Bank of Bantry	Bantry	March 31, 1927	39 657 99		
Bartlett / Farmers & Merchants Bank	Barton	Feb. 13, 1926	75 475 48		
Citizens State Bank	Bathgate	Nov. 22, 1921	102 575 45		8 972 09
Beach State Bank	Beach	Nov. 19, 1920	129 935 74		8 157 59
Golden Valley State Bank	Beach	Feb. 23, 1926	222 199 22		
Farmers State Bank	Belfield	Nov. 22, 1920	65 198 93	5 505 03	5 610 93
First State Bank	Benedict	Dec. 3, 1923	61 378 94		3 766 36
Security State Bank	Benedict	Oct. 3, 1921	79 405 65		2 758 01
Farmers State Bank	Bergen	Nov. 7, 1925	49 368 02		
First State Bank	Bergen	Oct. 7, 1923	40 491 78		3 456 42
State Bank of Berthold	Berthold	Dec. 16, 1924	186 647 25		11 423 73
First State Bank	Beulah	Dec. 27, 1926	41 130 37		
Citizens State Bank	Bisbee	March 26, 1925	114 959 31		7 749 53
Bismarck Bank	Bismarck	Jan. 6, 1926	234 232 42		
Blabon State Bank	Blabon	Dec. 1, 1927	110 498 45		
Blaisdell State Bank	Blaisdell	Aug. 9, 1923	79 827 86		1 291 20
Badulac / Security State Bank	Bonetraill	Oct. 6, 1923	66 054 37		1 397 00
Bottineau County Bank	Bottineau	Sept. 28, 1923	435 597 89		31 894 52
Burke County State Bank	Bowbells	Aug. 15, 1924	68 475 35	5 553 37	3 491 11
First State Bank	Bowbells	Dec. 2, 1922	173 727 26		4 609 47
Farmers & Merchants Bank	Bowdon	Jan. 19, 1925	258 833 42		14 988 72

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10 % GENERAL DIVIDENDS PAID DEPOSITORS - CLOSED BANKS - CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10 % GENERAL DIVIDENDS PAID DEPOSITORS
First State Bank	Bowesmont	April 15, 1925	$ 84 307 75		$ 3 957 82
Farmers & Merchants Bank	Bowman	April 13, 1923	108 614 43		6 891 72
State Bank of Bowman	Bowman	Nov. 28, 1923	208 812 31	$ 12 350 00	12 598 43
Farmers State Bank	Brantford	Nov. 15, 1922	75 226 54	3 639 17	7 122 50
Security State Bank	Brantford	July 18, 1921	62 825 98		3 788 05
Bucyrus State Bank	Bucyrus	Nov. 24, 1928	82 233 76		
American State Bank	Burlington	Aug. 9, 1923	399 322 59		7 895 53
Farmers & Merchants State Bank	Calio	Feb. 25, 1926	189 258 23		
Peoples State Bank of Calvin	Calvin	Jan. 21, 1928	53 603 54		
Bank of Carbury	Carbury	Jan. 18, 1924	37,566 91		2 427 67
First Security Bank of Carpio	Carpio	Dec. 27, 1920	23 765 71	1 533 80	1 229 32
Commercial State Bank	Carrington	Mar. 15, 1923	160 914 23		13 101 49
First State Bank	Cartwright	Nov. 23, 1923	27 408 75		1 751 28
Peoples State Bank	Casselton	Oct. 3, 1924	4 859 33		
Cayuga State Bank	Cayuga	Jan. 28, 1924	123 368 77		9 793 13
Bank of Oliver County	Center	Dec. 6, 1923	191 878 14	4 427 22	6 385 17
Farmers State Bank	Charbonneau	Nov. 19, 1923	58 804 88		3 973 15
Farmers Bank of McKenzie County	Charlson	Jan. 9, 1924	39 129 65		2 171 31
Farmers State Bank	Christine	July 13, 1925	196 194 00		
Farmers State Bank	Churches Ferry	Jan. 22, 1924	98 266 60		7 812 71
Clyde State Bank	Clyde	Jan. 30, 1924	90 063 06		3 324 33
First State Bank	Cleveland	Feb. 7, 1924	31 501 92		2 430 64
Cogswell State Bank	Cogswell	Jan. 5, 1922	205 060 30		11 878 52
Farmers & Merchants State Bank	Cogswell	Nov. 10, 1923	154 131 16		12 317 92
Colgate State Bank	Colgate	Dec. 8, 1927	40 020 92		
Security State Bank	Columbus	Nov. 22, 1920	99 767 26	4 798 40	6 859 68
First State Bank	Columbus	Nov. 26, 1928	76 101 90		
Farmers Security Bank	Conway	Dec. 17, 1925	15 632 39		
State Bank of Cooperstown	Cooperstown	April 6, 1927	159 831 02		
Coulee Dairy Bank	Coulee	Jan. 21, 1926	59 774 29	2 968 43	
Security State Bank	Courtenay	Feb. 21, 1921	87 279 21		6 297 63
Stutsman County Bank	Courtenay	May 12, 1924	173 447 60		12 470 10
Farmers Bank of Crary	Crary	Nov. 28, 1923	95 066 32	8 575 13	8 936 11
Crete State Bank	Crete	March 12, 1925	94 328 80		1 892 76
Crocus State Bank	Crocus	Feb. 21, 1921	42 160 50		1 161 02

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10% GENERAL DIVIDENDS PAID DEPOSITORS - CLOSED BANKS - CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Crystal State Bank	Crystal	Feb. 24, 1925	$ 93 276 92		$ 4 788 51
First State Bank	Crystal Springs	Jan. 4, 1921	121 469 63		2 603 08
State Bank of Davenport	Davenport	Nov. 27, 1928	150 917 01		
Farmers State Bank	Dawson	Nov. 19, 1923	52 933 62		2 857 07
First State Bank	Dawson	Sept. 8, 1923	202 513 26		5 738 83
Dazey State Bank	Dazey	Feb. 26, 1923	142 535 30		6 389 27
Security Bank	Dazey	July 31, 1928	106 399 76		
Security State Bank	Deering	Nov. 14, 1923	115 097 25		8 893 85
De Lamere State Bank	De Lamere	Mar. 16, 1927	127 908 47		
Farners Bank of Derrick	Derrick	Feb. 6, 1924	19 453 80	644 76	700 90
Devils Lake State Bank	Devils Lake	Feb. 9, 1925	171 506 86	11 592 17	11 614 71
Farmers State Bank	Dodge	April 30, 1925	115 325 15		5 335 31
First State Bank	Dogden	April 15, 1926	69 623 41		
Donneybrook State Bank	Donneybrook	Nov. 24, 1920	417 355 00		18 230 02
Citizens State Bank	Douglas	Jan. 29, 1927	45 432 74		
Citizens State Bank	Drayton	June 9, 1927	166 774 81		
State Bank	Dresden	April 26, 1928	94 264 34		
Driscoll State Bank	Driscoll	Nov. 8, 1923	104 952 75		4 550 34
Farmers & Merchants State Bank	Driscoll	June 14, 1926	131 923 64		
Farmers Bank of Dunn County	Dunn Center	Aug. 9, 1923	102 928 58		5 517 96
First State Bank	Dunn Center	Sept. 13, 1923	134 520 42		7 989 54
Dunseith State Bank	Dunseith	May 9, 1921	38 876 65		3 697 77
First State Bank	Dwight	Feb. 4, 1928	25 215 83		
Dodge State Bank	Dodge	Nov. 18, 1926	41 050 94		
First State Bank	Easby	May 9, 1924	74 296 24		1 320 91
Farmers State Bank	East Fairview	July 1, 1924	144 661 67		2 577 00
Citizens State Bank	Edgeley	Dec. 6, 1920	311 182 17		25 103 40
Bank of Egeland	Egeland	Feb. 6, 1924	89 612 58		3 982 42
State Bank of Elliott	Elliott	June 11, 1924	87 511 65		4 902 16
Farmers Bank of Emerado	Emerado	June 24, 1924	67 048 82		4 636 72
Guaranty State Bank	Emerado	June 22, 1927	26 099 23		
First State Bank	Englevale	July 3, 1926	72 446 55		
First State Bank	Epping	Sept. 27, 1923	107 254 33		1 532 20
Security State Bank	Fairdale	May 29, 1923	91 958 79		3 565 78
Scandinavian American Bank	Fargo	Feb. 14, 1921	681 324 19		49 524 82

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10% GENERAL DIVIDENDS PAID DEPOSITORS - CLOSED BANKS - CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Farmers Bank of Fessenden	Fessenden	July 25, 1923	109 503 14		7 096 56
First State Bank	Fillmore	Feb. 27, 1923	43 033 41		2 268 12
Merchants State Bank	Fingal	Oct. 11, 1923	131 129 28	9 872 84	10 580 32
State Bank of Finley	Finley	Dec. 19, 1927	144 704 23		
Citizens State Bank	Flaxton	May 12, 1924	155 552 60	12 415 19	12 789 38
Farmers State Bank	Forman	Apr. 16, 1926	83 382 91		
First State Bank	Fort Clark	Dec. 6, 1923	76 051 33		3 035 87
Fort Ransom State Bank	Fort Ransom	Oct. 20, 1923	161 370 58	9 976 14	10 929 91
Fortuna State Bank	Fortuna	Nov. 30, 1920	75 931 50	12 347 74	4 783 52
Gardena State Bank	Gardena	Aug. 15, 1924	101 362 93		4 046 61
Farmers Bank of Garrison	Garrison	March 31, 1926	116 705 08		
Geneseo State Bank	Geneseo	Sept. 20, 1926	103 181 04		
Bank of Gilby	Gilby	Nov. 23, 1926	161 000 64		
Security State Bank	Glasston	June 4, 1924	30 284 38		1 590 14
Glenburn State Bank	Glenburn	May 29, 1924	70 748 68		3 936 04
Farmers Bank of Golden Valley	Golden Valley	May 3, 1926	83 474 16		
First American Bank	Golden Valley	Nov. 10, 1923	148 441 90		6 995 74
First Saving Bank	Grand Forks	Aug. 15, 1924	285 183 06		17 585 10
Peoples State Bank	Grand Forks	Feb. 27, 1921	197 321 91	17 153 48	18 982 76
Farmers & Merchants State Bank	Granville	Feb. 3, 1926	223 822 77		
Granville State Bank	Granville	Oct. 22, 1923	122 400 97		9 651 03
Farmers State Bank	Green	Nov. 30, 1920	118 055 51		5 373 86
Farmers State Bank	Grenora	Dec. 11, 1923	158 259 91		9 690 26
State Bank of Grenora	Grenora	Nov. 14, 1923	66 640 05		2 494 56
Farmers State Bank	Gwinner	Oct. 18, 1927	75 841 81		
Farmers State Bank	Halliday	March 24, 1924	64 427 08		4 344 00
Farmers State Bank	Hampden	May 12, 1924	145 543 15		4 396 84
Security State Bank	Hanks	Feb. 29, 1924	137 373 28		3 965 92
Farmers State Bank	Hannaford	June 10, 1926	183 809 73		
State Bank of Hannah	Hannah	Nov. 29, 1927	285 212 11		
Hansboro State Bank	Hansboro	Jan. 23, 1926	80 919 81		
Bank of Hansboro	Hansboro	Nov. 18, 1927	75 309 16		
Hartland State Bank	Hartland	Dec. 27, 1926	28 608 58		
First State Bank	Hastings	Jan. 20, 1928	112 117 35		
Peoples State Bank	Hatton	Oct. 22, 1921	64 141 38	Paid in full by receiver.	

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10% GENERAL DIVIDENDS PAID DEPOSITORS - CLOSED BANKS - CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Farmers State Bank	Havelock	Nov. 18, 1920	$ 47 025 72		$ 3 303 72
First State Bank	Haynes	Jan. 28, 1924	82 878 25		5 373 42
Bank of Hazelton	Hazelton	Mar. 19, 1928	358 537 07		
Farmers State Bank of Mercer Co.	Hazen	Aug. 20, 1923	86 217 87	$ 4 286 23	4 618 34
Citizens State Bank	Hazen	April 21, 1921	247 510 04	14 639 27	10 315 79
First State Bank	Hazen	Dec. 7, 1923	146 633 97	6 959 54	7 184 34
Farmers State Bank	Hebron	April 24, 1925	85 603 61		5 708 00
Merchants Bank of Hebron	Hebron	Feb. 7, 1927	137 544 94		
State Bank of Hensal	Hensal	Aug. 15, 1924	96 593 91		7 120 95
Farmers State Bank	Hesper	Nov. 17, 1923	12 964 47	1 550 29	675 56
Hickson State Bank	Hickson	July 30, 1923	126 753 52		11 402 45
State Bank of Hoople	Hoople	Jan. 13, 1927	282 352 37		
Horace State Bank	Horace	Aug. 24, 1923	151 679 54		13 356 80
Farmers & Merchants Bank	Hunter	Sept. 15, 1924	107 289 18		4 625 92
Hurdsfield State Bank	Hurdsfield	July 25, 1923	51 174 58		1 011 95
Bank of Inkster	Inkster	Nov. 21, 1927	159 428 43		
First State Bank	Joliette	Dec. 13, 1923	37 672 04		691 61
Farmers & Merchants Equity Bank	Jud	Jan. 22, 1924	76 916 36		3 704 58
Security State Bank	Karlsrud	Nov. 7, 1925	58 386 17		
Karnah State Bank	Karnah	Dec. 12, 1923	15 537 06	2 045 26	1 429 56
Farmers State Bank	Kathryn	Dec. 28, 1927	113 246 85		
Security State Bank	Kensal	April 24, 1924	55 075 90		4 548 81
Farmers & Merchants Bank	Kensal	Nov. 16, 1928	86 800 88		
First State Bank	Kief	Feb. 18, 1928	36 218 78		
First State Bank	Killdeer	Nov. 22, 1920	49 091 29	5 663 27	2 907 89
Kongsberg State Bank	Kongsberg	Nov. 1, 1928	22 222 60		
State Bank of Kramer	Kramer	Nov. 23, 1923	104 350 15		7 265 75
Farmers State Bank	Lake Williams	June 6, 1926	51 116 46		
Citizens State Bank	Langdon	Oct. 16, 1924	254 839 83		5 270 35
First State Bank	Lansford	June 2, 1924	100 288 31		6 862 61
Farmers State Bank	Lawton	Sept. 15, 1924	97 401 25		7 403 26
Bank of Leal	Leal	March 25, 1922	132 338 83		9 200 58
Farmers & Merchants Bank	Leeds	Sept. 21, 1923	207 427 19	18 958 80	20 229 57
Security Bank of Leeds	Leeds	Dec. 18, 1923	46 443 98		2 527 09
Peoples State Bank	Leith	Feb. 14, 1921	53 450 51	8 310 67	1 302 53

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10% GENERAL DIVIDENDS PAID DEPOSITORS - CLOSED BANKS - CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Ransom County Farmers Bank	Lisbon	Nov. 19, 1923	$ 120 626 53		$ 6 660 06
First State Bank	Litchville	Nov. 19, 1923	226 099 91	$ 17 880 65	20 552 90
First State Bank	Lone Tree	Dec. 11, 1922	63 643 93		1 408 87
Loraine State Bank	Loraine	Mar. 29, 1924	57 968 37		4 850 91
Mountrail County State Bank	Lostwood	July 18, 1927	28 467 10		
Pioneer State Bank	Luverne	June 30, 1927	40 905 97		
Luverne State Bank	Luverne	Nov. 3, 1927	131 186 90		
McLeod State Bank	McLeod	Aug. 27, 1926	78 615 45		
Citizens State Bank	Maddock	Jan. 26, 1924	87 954 20		6 082 28
Bank of Maida	Maida	Sept. 15, 1924	45 295 02		1 102 81
Farmers & Merchants Bank	Manitou	July 19, 1927	17 420 59		
Mercer County State Bank	Mannhaven	Feb. 2, 1924	34 690 01		2 252 66
First State Bank	Manning	Dec. 18, 1923	33 236 39	1 262 98	2 875 57
The Guaranty State Bank	Mantidor	Oct. 6, 1926	50 404 50		
Farmers State Bank	Mantidor	Oct. 10, 1927	27 313 91		
First State Bank	Manvel	Nov. 16, 1925	86 542 28		
Farmers State Bank	Mapes	March 13, 1926	36 739 04		
Marion State Bank	Marion	Dec. 16, 1927	154 432 12		
State Bank of Maxbass	Maxbass	Jan. 25, 1924	62 311 67		2 556 17
Maxbass Security Bank	Maxbass	Dec. 9, 1926	41 583 35		
Maza State Bank	Maza	Mar. 3, 1928	19 766 84		
Bank of Melville	Melville	Feb. 13, 1928	38 693 66		
Farmers State Bank	Manoken	Jan. 19, 1924	18 058 19	348 10	462 49
Michigan City Bank	Michigan	May 26, 1926	79 110 23		
State Bank of Milton	Milton	Dec. 13, 1920	273 369 70		23 490 22
First Farmers Bank of Minot	Minot	Dec. 27, 1920	215 853 68	27 320 04	15 920 46
Scandinavian American Bank	Minot	Oct. 16, 1924	307 456 50		16 092 83
First State Bank	Minto	Oct. 13, 1927	83 933 27		
Mohall Security Bank	Mohall	Dec. 15, 1923	160 521 17		8 866 35
Mohall State Bank	Mohall	Nov. 24, 1920	592 518 41		17 057 01
Farmers & Merchants Bank	Monango	March 31, 1923	114 705 93		7 660 85
State Guaranty Bank	Mott	Jan. 12, 1927	144 690 01		
Mountain State Bank	Mountain	Oct. 26, 1925	78 113 34		
Bank of Mowbray	Mowbray	Nov. 30, 1921	35 897 01		1 560 43
Farmers Bank of Munich	Munich	Feb. 17, 1926	237 420 30		

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10% GENERAL DIVIDENDS PAID DEPOSITORS - CLOSED BANKS - CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
First State Bank	Mylo	Feb. 6, 1928	$ 69 684 39		
State Bank of Nanson	Nanson	Jan. 24, 1925	52 241 30		$ 1 270 46
Farmers State Bank	Neche	Sept. 22, 1923	40 050 49	$ 2 934 95	2 278 47
State Bank of Newburg	Newburg	Jan. 2, 1924	124 898 05		8 741 91
New England State Bank	New England	Mar. 31, 1925	46 416 99		2 605 00
Security State Bank	New England	Nov. 18, 1920	289 941 83		16 639 58
Farmers State Bank	New Leipzig	May 2, 1925	126 957 38		
New Leipzig State Bank	New Leipzig	Aug. 12, 1926	109 919 17		
Bank of New Rockford	New Rockford	Jan. 14, 1921	329 306 40		28 145 22
Farmers & Merchants Bank	New Rockford	Aug. 8, 1923	343 427 37		30 414 98
State Bank of New Salem	New Salem	Oct. 16, 1924	336 341 18	34 009 97	32 888 80
Newville State Bank	Newville	Dec. 11, 1923	25 072 80		769 87
Bank of Niagara	Niagara	Nov. 21, 1927	99 575 72		
Farmers State Bank	Nome	Nov. 23, 1922	304 645 40		14 197 33
First State Bank	Nome	Jan. 2, 1923	79 208 47		4 232 68
Farmers State Bank	Noonan	Feb. 9, 1925	39 545 69		2 558 73
Norma State Bank	Norma	Nov. 19, 1928	88 442 81		
Northville State Bank	Northville	Nov. 12, 1926	45 679 78		
First State Bank	Norwich	Oct. 22, 1923	75 027 08		6 054 06
Security Bank of Oberon	Oberon	Jan. 21, 1924	75 060 01	4 142 28	4 620 22
First State Bank	Olga	Sept. 13, 1924	104 985 85		1 589 08
State Bank of Olmstad	Olmstad	Oct. 31, 1923	61 211 18		3 854 37
Citizens Bank of Omemee	Omemee	Jan. 26, 1924	122 363 34		6 405 62
Farmers State Bank	Oriska	Oct. 2, 1923	36 917 39		2 282 75
State Bank of Oriska	Oriska	Aug. 18, 1923	162 574 20	12 161 28	13 025 80
Bank of Orr	Orr	Jan. 19, 1924	114 546 36		4 519 50
Great Western Bank	Osnabrook	Dec. 14, 1922	116 560 90		2 994 67
Marmers & Merchants Bank	Overly	Sept. 25, 1923	76 699 08		5 380 66
Farmers State Bank	Page	Oct. 23, 1928	59 441 42		
Bank of Park River	Park River	May 10, 1924	332 955 74		29 983 62
Bank of Perth	Perth	May 26, 1925	119 306 35		6 872 88
Towner County Bank	Perth	Oct. 29, 1925	138 256 88		
Merchants Bank of Pembina	Pembina	June 6, 1927	222 872 35		
Reop. Pillsbury State Bank	Pillsbury	Jan. 25, 1924	96 768 98		
Citizens State Bank	Pingree	Apr. 13, 1921	112 327 57		8 845 86

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10 % GENERAL DIVIDENDS PAID DEPOSITORS - CLOSED BANKS - CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Pisek State Bank	Pisek	Jan. 4, 1928	141 586 82		
First International Bank	Portal	Nov. 16, 1923	113 308 41		9 541 83
Portal State Bank	Portal	April 29, 1924	126 977 80		9 885 65
State Bank of Powers Lake	Powers Lake	Feb. 16, 1926	133 184 94		
Prosper State Bank	Prosper	Feb. 24, 1921	50 088 23	9 358 40	5 078 90
Farmers State Bank	Rawson	Jan. 4, 1924	76 233 92		4 127 68
Farmers Bank of Ray	Ray	Aug. 9, 1923	210 037 85		7 436 09
Farmers & Merchants Bank	Reeder	Nov. 13, 1924	92 078 85		3 435 00
Farmers State Bank	Regan	Dec. 15, 1923	96 042 50		4 856 03
Regan State Bank	Regan	Nov. 25, 1928	45 304 68		
Regent State Bank	Regent	July 12, 1921	86 530 52		6 395 55
State Bank of Revere	Revere	Dec. 11, 1926	21 249 84		
Farmers State Bank	Rhame	Nov. 26, 1920	271 263 54		11 968 28
Farmers & Merchants Bank	Robinson	Jan. 18, 1921	82 713 23		6 299 47
Rock Lake State Bank	Rock Lake	Feb. 9, 1927	51 441 29		
First State Bank	Rogers	July 25, 1928	171 213 18		
State Bank of Rolla	Rolla	Nov. 27, 1923	97 505 62		6 314 43
First State Bank	Ruso	Nov. 2, 1923	84 846 30		3 057 56
First State Bank	Russell	Nov. 26, 1923	46 337 02		1 333 39
First State Bank	Rutland	Oct. 1, 1926	106 287 35		
First State Bank	Ryder	Aug. 4, 1926	59 083 94		
Bank of Sanborn	Sanborn	Feb. 26, 1921	132 991 02		7 244 24
Farmers Exchange Bank	Sanger	Nov. 19, 1925	28 594 14	1 587 94	
American State Bank	Sanish	Aug. 9, 1923	52 863 67		593 00
Farmers State Bank	Sanish	Aug. 9, 1923	119 831 04		2 212 68
Merchants State Bank	Sarles	Nov. 22, 1927	140 996 02		
First State Bank	Sawyer	Oct. 3, 1921	151 575 02		7 367 59
Sawyer State Bank	Sawyer	July 21, 1921	92 650 11		4 308 49
Farmers & Merchants State Bank	Sherwood	Jan. 26, 1924	114 350 63		8 559 31
Security State Bank	Sheyenne	Jan. 7, 1924	182 516 96	15 529 10	15 903 26*
Mouse River Valley Bank	Souris	Feb. 25, 1924	91 938 31	6 086 59	6 302 81
Spring Brook State Bank	Spring Brook	Nov. 26, 1923	34 861 81	Paid in full by receiver	
First State Bank	Stady	Mar. 31, 1924	62 584 61		3 124 01
Citizens State Bank	Stanley	Feb. 18, 1926	202 480 96		
First State Bank	Stanton	Feb. 23, 1928	160 882 08		

* Note: Ledger account shows $2.00 less than payments shown on claim sheet.

Check #24547 posted as $203.00, should be $205.00. This item corrected after date of audit.

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10% GENERAL DIVIDENDS PAID DEPOSITORS - CLOSED BANKS - CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Stirum State Bank	Stirum	Nov. 3, 1926	$ 114 169 07		
Farmers State Bank	Strasburg	Jan. 9, 1924	80 705 11		$ 3 354 74
Citizens State Bank	Tagus	Aug. 9, 1923	112 690 23		4 370 78
Security Bank	Temple	Dec. 16, 1927	28 348 93		
Timmer State Bank	Timmer	Feb. 28, 1921	38 411 07	1 185 19	2 504 65
Tokio State Bank	Tokio	Feb. 4, 1928	27 992 40		
Tolley State Bank	Tolley	Nov. 15, 1920	303 505 58		16 201 58
First State Bank	Tower City	April 16, 1924	23 793 16		1 086 24
Tower City State Bank	Tower City	Oct. 5, 1923	41 617 05		2 255 22
Towner State Bank	Towner	Jan. 14, 1926	58 790 66		
Trenton State Bank	Trenton	Nov. 26, 1923	16 503 29	Paid in full by receiver	
Tuttle State Bank	Tuttle	Dec. 23, 1927	65 319 08		
Underwood State Bank	Underwood	Nov. 4, 1926	117 865 00		
Scandinavian American Bank	Van Hook	Aug. 9, 1923	168 646 27		1 968 54
First State Bank	Velva	Oct. 15, 1925	139 513 13		
Merchants State Bank	Velva	May 9, 1924	187 349 13		12 542 81
Farmers State Bank	Verendrye	Oct. 20, 1926	60 920 57		
Farmers State Bank	Voltaire	Nov. 9, 1923	33 752 43		2 482 86
Wahpeton State Bank	Wahpeton	Oct. 30, 1926	188 760 06		
Farmers & Merchants State Bank	Wahpeton	Oct. 27, 1928	71 294 53		
First State Bank	Walcott	Jan. 18, 1927	208 326 73		
State Bank of Wales	Wales	Jan. 11, 1928	113 710 94		
Citizens Bank of Walhalla	Walhalla	Dec. 21, 1927	251 094 16		
Farmers State Bank	Walum	June 6, 1921	327 749 81		6 928 49
Farmers & Merchants Bank	Warwick	Jan. 8, 1926	143 096 14		
American Exchange Bank	Watford City	Nov. 27, 1923	37 267 92		2 751 66
Farmers State Bank	Watford City	Dec. 13, 1923	107 389 83		4 516 83
McKenzie County State Bank	Watford City	July 7, 1921	124 508 43	8 202 84	8 107 58
First State Bank	Werner	Jan. 11, 1926	72 620 04		
Merchants State Bank	Werner	Sept. 27, 1923	84 623 88		3 612 15
Farmers State Bank	Wheatland	Nov. 19, 1925	53 717 19		
State Bank of Wheatland	Wheatland	Nov. 19, 1928	28 700 44		
Farmers State Bank	Wildrose	June 2, 1924	94 940 09		5 033 86
First State Bank	Wildrose	Sept. 13, 1924	142 729 42		4 827 58
Williams County Bank	Williston	June 12, 1923	680 974 44		41 460 26
Williston State Bank	Williston	April 4, 1921	289 496 69		18 900 12
Burleigh County State Bank	Wing	Dec. 16, 1925	79 218 59	4 886 94	
State Bank of Wolford	Wolford	Dec. 28, 1923	180 175 00		11 109 70
			37 199 026 58	332 663 45	1,463 996 20

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AUDIT REPORT

Of DEPOSITORS' GUARANTY FUND

BISMARCK, N. DAK.

From

DECEMBER 1, 1928

To

NOVEMBER 30, 1930

O. B. LUND

AUDITOR AND ACCOUNTANT

Bismarck North Dakota

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A U D I T - R E P O R T

OF DEPOSITORS' GUARANTY FUND

BISMARCK, N. DAK.

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George F. Shafer, Governor,
C. F. Mudgett, Manager Bank of North Dakota,
H. A. Fisher,
A. W. Engel,
Arthur L. Netcher,
Members Depositors' Guaranty Fund Commission,
Gilbert Semingson, Secretary,
Bismarck, North Dakota.

Gentlemen:

As per agreement I have made an audit of the books, records and vouchers of the Depositors' Guaranty Fund Commission of the State of North Dakota for the period beginning December 1, 1928, the close of my previous audit, to November 30, 1930, and I hereby certify, that in my opinion, the following statements and schedules reflect the operations for the period and the true financial condition of the fund as the same appeared at close of business November 30, 1930.

The act providing for the discontinuance and dissolution of the Depositors' Guaranty Fund, passed by the twenty-first Legislative Assembly and approved by the referendum June 25, 1930, provides in section two of the act as follows:

> "(Disbursement of Fund.) On or before the 1st day of December, 1930, said depositors' guaranty fund commission shall disburse and pay the balance of the funds in its hands to depositors in banks closing prior to July 1st, 1929, such funds so remaining in its hands at said time to be disbursed among depositors holding claims approved and allowed by said depositors' guaranty fund commission who have not theretofore received a dividend from said fund and to be disbursed in the manner now in operation under said Chapter 31-B of the Supplement."

It was the intent of the Legislature that the Commission should have from July 1, 1929 to December 1, 1930, or seventeen months time, to comply with this section of the act, but, as a result of the referendum, the law did not become effective until in July 1930, leaving only about four months to wind up the affairs of the fund.

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The law has been complied with as near as practical under existing conditions. The accounts due from banks over the state have been closed and the funds deposited with the Bank of North Dakota, with the exception of two banks that are reported to be disputing the assessments levied on them.

On page 8 is presented balance sheet of the remaining assets and liabilities of the fund, as the same appears at close of business November 30, 1930, revealing an undistributed balance of $42,874.67.

This balance sheet does not take into account the total unpaid liability to depositors of closed banks that come under the law. This figure can not be definitely determined until the receiver of closed banks has wound up the affairs and made his final dividend on all the banks covered.

We were in the process of gathering the total unpaid liability on all admitted claims on the fund when the capitol building burned, stopping our work on this section of the audit. From the experience gained while working on this section of the business we estimate this to be approximately twenty million dollars. This, however, is only an estimate.

On page 9 is a statement of income and expense for the two years covered by the audit, and on page 10 statement of all income and expenditures of the fund from beginning of operations to closing date of this audit. This is followed by detail schedules supporting the items set up in the statements.

The minutes of proceedings of the commission clearly reflect the decisions on all business acted on and seemed complete in every detail.

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We experienced no difficulty in proving the cash accounts and all cash coming to the fund was found to be accounted for.

The employees of the Depositors' Guaranty Fund Commission afforded us every facility and courtesy in the process of our examination, and I wish to acknowledge appreciation of same.

Respectfully submitted,

AUDITOR AND ACCOUNTANT.

Bismarck, No. Dak.
December 31, 1930.

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REVIEW OF ITEMS IN STATEMENTS

BALANCE SHEET ITEMS

REFERENCE PAGE NO.	DETAIL NO.	
11	"A"	CASH ON HAND $128,604.20 Dr.

During the time the assessments were levied on the banks over the state it was deemed advisable by the commission to leave the funds on deposit with each bank until expended. The depositors' guaranty fund act provides that the State Treasurer act as treasurer of the fund. The statutes prescribe that the State Treasurer deposit all funds with the Bank of North Dakota, with the result that there was a conflict in the rules of the commission and the laws governing the methods of handling the funds by the State Treasurer. To avoid this conflict the State Treasurer did not act as general treasurer of the funds of the depositors' guaranty fund, excepting in handling the funds appropriated for the administration expenses. The guaranty fund cash has now all been withdrawn from the banks over the state and deposited in the Bank of North Dakota, removing the objections of the State Treasurer, and now there is nothing to prevent the State Treasurer from acting as treasurer of all the cash on hand as provided by law.

The cash on hand in the Bank of North Dakota was verified by us by reconcilement with the bank, and the cash on hand with the State Treasurer was reconciled with the records of that department and found to be in agreement with the accounts of the depositors' guaranty fund.

17	"B"	ASSESSMENTS DUE FROM BANKS $239.53 Dr.

It is reported that the assessments on the Citizens State Bank of Jud in the amount of $145.08, and the State Bank of Marion in the amount of $94.45 are disputed by the banks. These accounts stand unpaid on the department records and are the only questionable assets carried unsettled on the books of the department. These accounts are set up in our statements as an asset pending settlement.

18	"C1"	UNDISTRIBUTED SPECIAL DIVIDEND FROM RECEIVER OF CLOSED BANKS $29,527.55 Cr.

As the receiver of closed banks made distribution of dividends, derived from liquidation of insolvent banks in his charge, he paid over to the depositors' guaranty fund commission the portion of the receivers

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BALANCE SHEET ITEMS

REFERENCE PAGE NO.	DETAIL NO.	

dividend going to the depositors that had surrendered their receivers certificates of proof of claim in exchange for Certificates of Indebtedness of the Depositors' Guaranty Fund. The Depositors' Guaranty Fund Commission in turn make the distribution to the depositors. This represents the amount of such funds in the hands of the commission that was undistributed at date of audit, as shown by their records.

18 "C2" RESERVE FOR UNPAID APPROVED 10% GENERAL DIVIDEND $56,441.51 Cr.

A large number of depositors have failed to properly present their claims for the ten percent dividend approved for payment from the fund. These claims were gathered and summarized from the files of the department and found to aggregate the above amount, and reserve for payment of same has been set up on the books to care for the future payment of all awarded dividends in full.

DEPOSITORS' GUARANTY FUND BALANCE UNDISTRIBUTED $42,874.67 Cr.

After setting up reserves for all unpaid awarded dividends this amount remains for further claims on the fund.

There is no record at hand showing unpaid administration expense chargeable to the fund, incurred prior to date of audit, but there will be some expense incurred during the month of December that will be chargeable to this balance.

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REVIEW OF ITEMS IN STATEMENTS-CONTINUED
INCOME ACCOUNTS

REFERENCE PAGE NO.	DETAIL NO.	
28	"D"	BANK ASSESSMENTS LEVIED $71,992.51 As provided by the act repealing the Depositors' Guaranty Fund Law there were no bank assessments collected after June 30, 1929 and only three special assessments were collected between the date of our previous audit and the date assessments ceased. Verification of the accounts with the banks over the state was made by correspondence, receiving replies from about eighty percent of them, which in all cases agreed with the department records. While we did not send out the second request the assessments had all been converted into cash and we are satisfied they are all properly accounted for.
29	"E"	INTEREST RECEIVED $4,697.19 This represents the amount of interest collected by the department for the period covered by this audit from funds deposited in the Bank of North Dakota.
30	"F"	EXAMINATION FEES COLLECTED $1,591.50 This item represents examination fees and expense refunds collected by the Commission as provided by Section 5 and 6 of the Guaranty of Deposits Act for the period covered.
	"G"	ASSIGNMENT FEES COLLECTED $548.00 A fee of one dollar is charged and collected for the assignment or transfer of title of claims on the fund from one party to another. This item represents the amount of such fees collected as the same appears on the books of the department.
18	"G4"	REFUNDS FROM RECEIVER OF CLOSED BANKS $7,907.99 In making payment of the 10% general dividend the Commission made payment of all deposits under twelve dollars in full. As the receiver of closed banks subsequently paid his dividend on these claims the amount applying to deposits paid in full was turned into the Guaranty Fund. This represents the amount recovered in this manner as shown by the records.
	"H"	REFUND OF EXPENSE ITEMS $409.92 This represents the amount collected for reimbursement of administration expenses previously expended.

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REVIEW OF ITEMS IN STATEMENTS - CONTINUED
DISBURSEMENTS

REFERENCE PAGE NO.	REFERENCE DETAIL NO.	
31	"I"	ADMINISTRATION EXPENSE $36,057.20

The administration expense of the Depositors' Guaranty Fund Commission are provided in part by legislative appropriation from the State General Fund, and part from the Depositors' Guaranty Fund, as provided by Section 34 of the Act, appropriating $20,000.00 per year or as much thereof as is necessary from the Depositors' Guaranty Fund to meet the expense of the Commission.

Expenditures from both funds were compared with the amount allowed by law and found to be well within the alloted appropriation as will be shown by details beginning on page 31.

18	"C2"	10% GENERAL DIVIDEND PAID $103,830.76

No general dividends were declared during the two years covered by this audit. The above amount represents dividends paid to depositors of banks admitted to participate in the General 10% dividend prior to this audit period.

During the period the Depositors' Guaranty Act was in force three hundred forty banks closed that came under the law. The depositors of the first two banks that closed were paid in full. The depositors of the next two hundred one banks that closed have been awarded a ten percent dividend on approved deposits, and on the remaining one hundred thirty-seven banks no payments have been authorized. All dividend payments were checked by us and found to be paid as authorized with the exception of the items as listed on page 38. Beginning on page 18 we list all closed banks coming under the act, with a tabulation of the amounts paid the depositors.

36	"J"	UNCOLLECTABLE ACCOUNTS CHARGED OFF $58,811.19

A settlement of accounts due from closed banks was made between the receiver and the Guaranty Fund Commission on unpaid assessments, special deposits, and expense charges, and miscellaneous compromise settlements were made as listed beginning on page 36 to close out questionable accounts on the books of the Commission. These settlements were approved by the Commission and details are recorded in the minutes of proceedings and complete detail records covering the settlements are on file with the Commission.

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DEPOSITORS' GUARANTY FUND

BALANCE SHEET

NOVEMBER 30, 1930

REFERENCE PAGE NO.	DETAIL NO.		ASSETS	LIABILITIES
		CASH ON HAND		
11	"A"	Bank of North Dakota- - $119 547 81		
	"I"	State Treasurer - - - - 9 056 39	$128 604 20	
		This represents the cash on hand belonging to the fund, all deposited with the Bank of North Dakota and the State Treasurer.		
17	"b"	ASSESSMENTS DUE FROM BANKS- - - - - - - -	239 53	
		This represents the assessments levied on two banks that dispute the legality of the charge.		
18	"C1"	UNDISTRIBUTED SPECIAL DIVIDEND FROM RECEIVER OF CLOSED BANKS - - - - -		$ 29 527 55
		This represents the dividends from Receiver of Closed Banks to depositors that have surrendered their receivers certificate of proof of claim for Certificates of Indebtedness of the Guaranty Fund. This account stands undistributed on the department books.		
18	"C2"	RESERVE FOR UNPAID APPROVED 10% GENERAL DIVIDEND - - - -		56 441 51
		This represents the amount of approved 10% dividend awarded to depositors that have failed to properly present their claims at date of audit.		
		DEPOSITORS GUARANTY FUND BALANCE		42 874 67
		This represents the Undistributed Balance remaining in the Depositors' Guaranty Fund at November 30, 1930.		
			$128 843 73	$128 843 73

CONTINGENT LIABILITY

The total liability of the fund to depositors that had not been approved for payment is an undetermined amount and has not been considered in this balance sheet.

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DEPOSITORS' GUARANTY FUND

STATEMENT OF DISBURSEMENTS AND RECEIPTS

DECEMBER 1-1928 TO NOVEMBER 30-1930

REFERENCE PAGE	REFERENCE DETAIL NO.		PAYMENTS AND BALANCE	BALANCE AND COLLECTIONS
		Depositors' Guaranty Fund Balance Dec.1-1928		$210 868 22
28	"D"	Bank Assessments Levied- - - - - - - - - -		71 992 51
29	"E"	Interest Received- - - - - - - - - - - -		4 697 19
30	"F"	Examination Fees Collected - - - - - - - -		1 591 50
	"G"	Assignment Fees Collected- - - - - - - - -		548 00
18	"C4"	Refunds from Receiver of Closed Banks- -		7 907 99
31	"I"	Refund of Expense Items- - - - - - - - -		409 92
31	"I"	Administration Expense - - - $32 057 20		
		Transfered to General Fund as provided by Chap.257 - S. L. 1927- - - - - - - - - 4 000 00	$ 36 057 20	
18	"C2"	Total 10% General Dividend Paid- - - - - - - - - - - 1 567 826 96		
		Less:Amount Paid Prior to December 1, 1928- - - - 1 463 996 20	103 830 76	
36	"J"	Uncollectable Accounts Charged Off - - -	58 811 19	
18	"C3"	Reserve for Unpaid Approved 10% General Dividends - - - - - - - - - - - -	56 441 51	
		Depositors' Guaranty Fund Unexpended Balance November 30, 1930 - -	42 874 67	
			$298 015 33	$298 015 33

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DEPOSITORS' GUARANTY FUND

STATEMENT OF TOTAL INCOME AND EXPENSE

FROM BEGINNING OF OPERATIONS TO NOVEMBER 30-1930

	DR. EXPENDITURES			CR. INCOMES		
INCOMES						
Assessments on Banks				$1	997	230 87
Liquidation of Closed Banks					18	133 36
Miscellaneous Fees Collected					16	859 30
Interest Received					24	462 79
Examination Fees					8	172 25
Assignment Fees Collected					2	956 00
Refunds of Expense						447 42
Refund of Dividends Paid					7	907 99
EXPENDITURES						
Depositors Paid in Full	$187	191	83			
10% Dividends Paid	1	567	826 96			
Reserve for Unpaid 10% Dividend	56	441	51	1	811	460 30
Office Supplies and Printing			697 33			
Traveling Expense		20	579 77			
Inspectors Salaries		33	966 79			
Clerk Hire		4	200 61			
Miscellaneous Undistributed		1	033 45			
Secretary Salary		12	733 23			
Advertising Closed Banks			350 46			
Auditors Salaries		17	914 99			
Referee & Legal Counsel Salaries		51	829 17			
Special Legal Services		17	500 20			
Department Audits		2	217 82			
Uncollectable Accounts Charged Off		58	811 19			
UNEXPENDED BALANCE		42	874 67			
	$2	076	169 98	$2	076	169 98

In addition to the expenditures from the Guaranty Fund there has been appropriated and expended from the State General Fund for administration expense $136,556.39.

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DETAIL "A"

DEPOSITORS' GUARANTY FUND
RECONCILEMENT OF OPEN ACCOUNT
NOVEMBER 30-1930
BANK OF NORTH DAKOTA

Balance as per bank statement 11-30-30		$137 576 62
Balance as per Guaranty Fund records	$119 547 81	
Checks Outstanding	18 243 56	
Draft Outstanding	57 38	
November Interest not Cr. by Bank		178 05
Deposits not in Bank Statement		94 08
	$137 848 75	$137 848 75

CHECKS OUTSTANDING

NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
763	$ 10 00	10132	$ 10 00	18390	$ 10 00
1094	10 00	10187	20 00	18694	6 52
2396	10 00	10215	18	19002	10 00
2654	8 78	10477	10 00	19614	11 69
2690	4 97	10631	10 00	19857	84
3067	10 00	11341	11 00	20164	10 00
4154	1 55	11823	1 69	20616	10 00
4493	7 17	12088	10 00	21000	10 00
4556	3 95	12129	10 48	21001	143 00
4846	10 00	12303	10 00	21237	2 07
4851	31 00	12791	8 90	21394	20 00
4852	10 00	12811	05	21485	23 00
4875	4 51	12970	24 00	21664	13 00
4909	1 06	13369	10 00	21665	10 00
5100	10 00	13554	23 00	21717	10 00
5256	9 00	13817	15	21774	10 00
5507	43 00	13892	15 00	21775	11 00
5764	5 35	13893	10 00	21842	14 00
5839	10 57	13976	10 00	21843	11 00
5849	11 30	14120	5 94	21844	11 00
5850	6 83	14336	10 00	21845	13 00
5854	2 64	14508	11 00	21847	10 00
6097	10 00	14689	27 00	21848	10 00
6679	66	14692	23 00	21849	10 00
6989	10 00	14926	12 00	21877	8 94
7036	10 00	15045	98	21878	11 05
7481	10 00	15050	10 00	22018	50 00
7853	10 00	15334	10 00	22170	10 00
7959	9 48	15369	8 47	22171	10 00
7968	10	16272	2 74	22407	4 44
8008	19	16617	3 32	22475	65 00
8513	10 00	16631	1 67	22481	10 00
8682	18 00	17297	1 29	22812	3 25
9093	10 00	17322	10 00	23659	10 00
9155	3 91	17651	12 00	23864	22 00
9579	18 00	18295	2 23	23977	1 30

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CHECKS OUTSTANDING
(CONTINUED)

NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
24229	$ 11	35510	$ 1 44	40793	$ 45 00
24239	6 51	35514	7 60	40828	48
24861	5 45	35602	14 00	40832	10 00
25336	10 00	35836	10 00		
26571	10 00	35838	10 00	40994	29 00
26572	5 81	36036	8 70	40996	5 89
26896	7 00	36778	10 00	41013	6 00
27009	5 30	36882	10 00	41014	6 00
27391	10 00	37687	4 82	41015	10 00
28247	7 33	37794	10 00	41016	2 00
28455	17 00	37882	3 76	41063	8 00
28716	11 00	37889	18 00	41433	11 00
28858	5 57	37905	6 22	41434	10 52
28860	3 80	38005	1 08	41587	10 00
29107	10 00	38047	65	41588	1 74
29269	10 00	38048	65	41944	1 47
29532	10 00	38066	25 23	42031	6 00
30242	1 96	38190	2 33	42032	2 00
30914	10 00	38259	2 55	42159	34 00
31702	45 00	38331	5 58	42169	28
31842	246 00	38465	39	42557	15
31843	212 00	38971	24 00	42578	1 42
31844	212 00	38972	59 00	42585	11 61
31861	1 04	38976	5 00	42586	56
31862	75	39039	8 27	42597	2 00
32746	10 00	39055	5 40	42674	03
32768	2 91	39060	1 80	42723	2 70
32770	11 58	39078	4 86	42743	33 48
32808	13	39084	6 25	42858	8 49
33178	4 11	39133	1 94	42875	23
33457	10 00	39208	10	42943	10 00
33623	7 97	39549	40	43074	74
33700	10 00	39745	91	43088	10 00
33766	1 73	39838	1 00	43282	28 00
33788	10 00	39926	3 21	43283	10 00
33912	13 34	39969	33	43360	17 00
33981	1 90	39983	12 42	43389	18 00
34032	1 46	39990	48	43406	1 21
34033	2 13	39993	48	43462	30 00
34183	5 92	40176	86	43477	95
34412	76	40207	68	43478	10 00
34414	76	40257	01	43515	85
34428	2 04	40286	10 00	43581	10 00
34833	67	40287	2 90	43817	60
34838	5 84	40311	2 19	43820	66
34839	33	40375	62	43837	11 50
34841	1 36	40487	02	43879	4 54
35509	1 44	40490	2 32	43905	33

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CHECKS OUTSTANDING (CONTINUED)

NUMBER	AMOUNT
43101	$ 10 00
43909	30
43941	1 84
43999	10 00
44009	10 00
44056	10 00
44168	23 00
44170	23 83
44171	23 83
44216	33
44257	1 18
44288	37
44298	14 41
44304	29
44455	10 00
44456	3 81
44484	76
44495	1 50
44535	3 17
44782	10 00
44784	5 00
44785	1 06
44788	7 51
44887	2 25
44925	1 26
45019	10 00
45032	37
45111	10 00
45112	2 05
45113	2 46
45415	9 97
45416	5 27
45658	47 06
45990	4 75
46546	1 28
46548	1 00
46551	31 43
46868	2 89
46885	4 77
46886	1 59
46904	2 17
47167	1 00
47258	32 80
47474	210 00
47623	2 46
47624	19 44
47625	2 24
47654	$ 1 00
47694	52 76
47894	1 00
47895	1 00
47933	1 059 71
47955	9 00
48002	614 20
48005	194 46
48275	1 16
48276	1 16
48342	4 11
48354	11 72
48356	1 70
48471	38 92
48516	29 00
48692	1 16
48693	1 00
48696	1 00
48700	1 68
48731	2 20
48732	7 33
48748	29 80
48797	30
48808	16 32
48813	1 09
48822	1 07
48867	49 09
48913	1 32
48938	9 15
48946	7 04
49150	4 79
49251	2 28
49276	75
49467	56 15
49525	2 45
49559	15 04
50011	1 81
50015	10 00
50036	1 00
50056	10 00
50202	1 75
50203	1 00
50245	5 68
50283	1 00
50311	1 56
50365	445 99
50479	3 06
50482	$ 1 42
50516	5 31
50574	72 09
50578	3 52
50579	10 04
50792	10 00
50847	9 72
50848	2 51
50861	02
50893	10 00
50947	2 88
50970	1 77
51034	10 70
51102	2 00
51107	23 00
51159	5 96
51178	5 08
51306	27 68
51458	2 19
51470	4 06
51521	63
51598	10 00
51629	10 00
51644	10 00
51667	3 00
51781	17
51782	65
51783	3 60
51784	75
51785	3 57
51786	63
51787	34
51788	35
51792	27
51808	2 39
51812	1 00
51813	4 20
51836	1 00
51837	3 31
51838	48
51844	44 20
51902	9 51
51982	9 00
52030	5 04
52051	10 00
52052	3 30
52062	10 00
52063	10 00
51315	2 22

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CHECKS OUTSTANDING
(CONTINUED)

NUMBER	AMOUNT
52103	$ 10 00
52168	503 00
52178	10 00
52185	1 24
52252	4 00
52269	13 00
52305	1 00
52316	1 00
52380	31 91
52394	1 50
52408	18 25
52483	1 97
52489	10 00
52490	10 00
52494	10 00
52496	10 00
52501	6 91
52538	666 93
52591	32
52609	12 74
52616	10 07
52673	10 00
52721	155 00
52759	28 16
52778	14
52838	1 48
52895	1 93
52897	1 06
52898	15
52907	33 07
52909	5 00
52925	3 85
52940	69
52941	1 46
52952	28 85
52953	6 48
52955	181 22
52960	08
52962	19
53014	3 44
53041	145 25
53103	4 10
53180	14 00
53191	2 90
53208	30 00
53233	32
53234	1 87
53271	10 00
53288	$ 3 55
53435	2 75
53439	24 35
53452	4 35
53466	10 00
53467	6 00
53472	1 00
53475	1 00
53476	1 89
53477	1 00
53478	1 07
53489	2 61
53490	2 61
53492	8 61
53504	10 00
53505	8 01
53506	6 82
53507	7 29
53515	20 16
53523	1 00
53542	78 37
53552	78
53566	1 00
53570	3 75
53580	8 48
53610	41 00
53625	3 73
53626	82
53649	108 61
53650	992 05
53712	1 53
53725	18
53744	20
53764	1 00
53783	38 00
53792	1 50
53800	38
53806	7 77
53815	3 77
53816	8 17
53817	32
53818	11
53819	11
53820	7 68
53821	11
53822	2 45
53823	12 66
53842	42 69
53843	$ 132 06
53892	7 56
53901	10 00
53902	2 13
53915	122 00
53916	185 16
53917	122 00
53918	185 16
53919	122 00
53920	185 16
53921	3 00
53923	10 00
53928	1 00
53941	3 04
53942	1 01
53943	19
53944	06
53945	54
53946	18
53954	2 04
53957	92 98
53958	16 00
53969	7 29
53970	12 94
53977	1 00
53978	1 00
53997	120 42
54007	7 41
54014	40
54015	2 11
54030	3 33
54035	6 85
54036	23 25
54044	1 77
54049	27 00
54051	8 38
54053	99
54054	46 74
54056	2 68
54070	9 25
54092	3 16
54106	2 35
54108	8 60
54111	6 05
54117	9 08
54120	3 79
54124	128 58

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CHECKS OUTSTANDING
(CONTINUED)

NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
54130	$ 27 20	54361	$ 13 50	54536	$ 5 75
54133	6 44	54363	1 80	54537	5 75
54145	6 20	54364	3 08	54540	5 04
54148	8 50	54373	3 54	54542	2 82
54167	11 00	54379	82	54543	3 00
54168	1 00	54386	18	54544	1 03
54169	1 87	54390	2 80	54545	11 64
54170	17 00	54403	67	54546	2 70
54173	8 33	54417	05	54547	2 97
54174	11 00	54423	64	54548	3 71
54175	10 78	54424	36	54549	30
54186	10 00	54426	11 59	54551	1 00
54191	1 00	54428	7 20	54554	8 49
54194	4 81	54450	5 53	54556	4 45
54195	1 73	54457	1 09	54557	2 55
54202	17 24	54459	56	54562	7 00
54203	7 17	54461	26 00	54563	439 60
54212	10 00	54462	13 06	54564	18 55
54213	1 00	54464	11	54570	2 15
54231	55 00	54465	10 00	54575	5 00
54250	3 01	54466	2 03	54576	3 73
54252	3 91	54467	2 03	54578	84
54253	46 96	54469	10 00	54583	76
54275	146 13	54475	1 25	54589	2 60
54285	2 65	54476	48	54590	10 28
54286	1 11	54477	10 00	54592	64
54290	3 84	54478	5 29	54593	4 32
54291	4 00	54479	9 00	54595	2 33
54306	20 78	54480	1 00	54598	56
54309	2 28	54482	2 29	54599	13 91
54310	1 06	54490	5 27	54600	29
54312	16 31	54496	1 00	54601	38
54313	4 20	54500	12 07	54604	1 92
54323	19	54501	1 09	54605	1 55
54325	36	54502	1 00	54606	3 23
54329	34	54513	18 38	54608	2 13
54338	205 00	54517	1 97	54610	3 52
54339	1 30	54520	16 45	54611	3 40
54340	1 74	54521	175 00	54612	5 50
54345	2 00	54523	8 51	54613	5 19
54347	12 96	54524	15 78	54620	9 00
54349	2 65	54527	51 27	54621	1 00
54350	33 24	54528	51 27	54622	3 00
54356	131 16	54529	51 27	54623	3 00
54357	5 83	54530	94	54626	18 00
54358	5 84	54533	1 97	54629	2 00
54359	6 83	54534	2 00	54630	3 86
54360	2 96	54535	6 15	54632	2 00

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CHECKS OUTSTANDING (CONTINUED)

NUMBER	AMOUNT
54633	$ 10 00
54635	10 00
54636	1 08
54642	11 00
54643	9 66
54644	10 00
54645	14 00
54650	3 78
54651	4 16
54652	2 00
54658	1 78
54659	4 86
54660	380 73
54662	43 00
54663	9 00
54664	2 57
54665	1 74
54666	2 70
54667	6 14
54669	7 40
54671	13 00
54674	2 30
54675	69
54676	2 40
54677	454 54
54678	1 62
54679	1 40
54680	8 00
54681	344 17
54683	8 02
54684	5 05
54685	2 00
54686	16 46
54687	6 92
54688	68
54689	3 76
54690	6 81
54691	11 87
54692	33 70
54693	33 69
54694	7 01
54695	2 23
54696	11 65
54697	6 41
54698	2 97
54699	194 12
54700	105 00
54701	1 57
54702	87 95
54703	$ 39 16
54704	17 35
54705	5 79
54706	127 17
54707	17 74
54708	17 74
54709	3 27
54710	6 16
54711	100 00
54712	99 58
54713	51
54714	13
54715	1 89
54716	24
54717	122 00
54718	90 92
54719	2 72
54720	10 00
54721	1 50
54722	10 00
54723	4 16
54724	7 00
54725	12 17
54726	20 00
54727	9 00
54728	2 12
54729	1 00
54730	17 00
54731	13 24
54732	704 00
54733	1 00
54734	74
54735	1 00
54736	1 08
54737	52
54738	3 78
54739	21 00
54740	94 65
54741	2 49
54742	1 00
54743	19 55
54744	5 15
54745	5 44
54746	2 51
54747	1 00
54748	1 00
54749	4 76
54750	2 00
54751	15 68
54752	$ 8 04
54753	195 97
54754	43 08
54755	3 25
54756	17 23
54757	41
54758	3 23
54759	3 83
54760	5 15
54761	1 00
54762	1 00
54763	10 00
54764	10 00
54765	10 00
54766	10 00
54767	6 50
54768	9 14
54769	16 00
54770	23 79
54771	15 86
54772	15 86
54773	10 65
54774	10 00
54775	32 27
54776	2 75
54777	1 84
54778	8 80
54779	1 00
54780	1 34
54781	3 89
54782	8 75
54783	8 80
54784	3 32
54785	1 00
54786	28 73
54787	27
54788	1 64
54789	2 23
54790	85
54791	1 00
54792	2 15
54793	14 00
54794	4 83
54795	1 79
54796	6 78
54797	8 49
54798	2 00
54799	214 23
	$ 18 243 56

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DETAIL "E"

DEPOSITORS' GUARANTY FUND

NOVEMBER 30-1930

ASSESSMENTS DUE FROM BANKS

Citizens State Bank of Jud	$ 145 08
State Bank of Marion	94 45
TOTAL	$ 239 53

It is reported that the above named banks question the legality of these assessments, and are refusing payment, therefore these accounts may become a loss, in part at least, in the final settlement.

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DETAIL "C"

DEPOSITORS' GUARANTY FUND

STATEMENT OF CLOSED BANKS ACCOUNTS

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	C1 FUNDS FROM RECEIVER: TOTAL AMOUNT RECEIVED	C1 FUNDS FROM RECEIVER: AMOUNT ON HAND UNDISTRIBUTED	C2 10% GENERAL DIVIDEND PAID DEPOSITORS	C3 RESERVE: GENERAL 10% ALLOWED BUT CLAIM NOT PRESENTED BY DEPOSITORS	C4 DIVIDENDS FROM RECEIVER ON CLAIMS PAID IN FULL BY FUND
State Bank of Abercrombie	Abercrombie	Feb. 29, 1928	$ 101 088 83	$ 9 538 61	$ 67 89			
Farmers State Bank	Alamo	June 28, 1924	161 588 34	Paid in Full by Receiver				
First State Bank	Amidon	June 8, 1921	200 761 03			$ 8 304 32	$ 75 56	$ 25
Slope County Bank	Amidon	June 8, 1921	227 669 05			9 650 88	151 28	1 00
Farmers & Merchants Bank	Aneta	Aug. 13, 1925	68 779 33					
State Bank of Antler	Antler	Sept.30, 1924	133 913 27	10 187 42	1 067 88	10 447 35	1 139 39	35 56
State Bank of Ardock	Ardock	Jan. 3, 1928	53 747 20					
Arena State Bank	Arena	Feb. 11, 1927	5 215 73					
State Bank of Aurelia	Aurelia	May 18, 1926	50 144 33					
Ayr State Bank	Ayr	Nov. 15, 1926	103 823 72					
Baldwin State Bank	Baldwin	Nov. 19, 1923	114 182 47	341 16	12 48	5 211 17	124 18	1 04
American State Bank	Balfour	Feb. 25, 1924	150 613 92	9 596 29	408 23	10 577 99	130 69	107 92
Balfour State Bank	Balfour	Sept.16, 1926	41 179 36					
State Bank of Bantry	Bantry	Nov. 20, 1920	78 704 63	927 25	45 30	6 766 15	187 08	3 62
Union Bank	Bantry	Mar. 31, 1927	39 657 99					
Bartlett State Bank	Bartlett	Apr. 18, 1929	46 534 47					
Farmers & Merchants Bank	Barton	Feb. 13, 1926	75 475 48	4 923 82	47 63			
Citizens State Bank	Bathgate	Nov. 22, 1921	102 575 45			8 992 09	41 79	61
Beach State Bank	Beach	Nov. 19, 1920	129 935 74			8 407 62	184 79	14 57
Golden Valley State Bank	Beach	Feb. 23, 1926	222 199 22	13 307 34	1 264 38			
Farmers State Bank	Belfield	Nov. 22, 1920	65 198 93	4 880 50	624 53	5 653 93	82 73	134 72
First State Bank	Benedict	Dec. 3, 1923	61 378 94	4 038 26	280 08	4 359 60	265 03	19 12
Security State Bank	Benedict	Oct. 3, 1921	79 405 65			2 822 30	203 09	
Farmers Bank	Bergen	Nov. 7, 1925	49 368 02	15 773 84	554 24			
First State Bank	Bergen	Oct. 7, 1923	40 491 78	3 296 53	38 52	3 548 42	33 88	24 14
State Bank of Berthold	Berthold	Dec. 16, 1924	186 647 25			13 230 45	450 88	81
First State Bank	Beulah	Dec. 27, 1926	41 130 37					
Citizens State Bank	Bisbee	Mar. 26, 1925	114 959 31	109 62		9 575 01	715 81	29 67
Bismarck Bank	Bismarck	Jan. 6, 1926	234 232 42					
Blabon State Bank	Blabon	Dec. 1, 1927	110 498 45					
Blaisdell State Bank	Blaisdell	Aug. 9, 1923	79 827 86			1 301 20	164 49	2 86
Security State Bank	Bonetraill	Oct. 6, 1923	66 054 37			1 451 83	113 00	1 31
Bordulac State Bank	Bordulac	Jan. 7, 1929	30 976 61					
Bottineau County Bank	Bottineau	Sept.28, 1923	435 597 89			32 594 52	256 91	86 10
Burke County State Bank	Bowbells	Aug. 15, 1924	68 475 35	5 548 12	5 25	3 544 10	416 64	1 43
First State Bank	Bowbells	Dec. 2, 1922	173 727 26			7 307 47	449 00	1 00

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Federal Reserve Bank of St. Louis

STATEMENT OF CLOSED BANKS ACCOUNTS

NAME OF BANKS	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	FUNDS FROM RECEIVER: TOTAL AMOUNT RECEIVED	FUNDS FROM RECEIVER: AMOUNT ON HAND UNDISTRIBUTED	10% GENERAL DIVIDEND PAID DEPOSITORS	RESERVE: GENERAL 10% ALLOWED BUT CLAIM NOT PRESENTED BY DEPOSITORS	DIVIDENDS FROM RECEIVER ON CLAIMS PAID IN FULL BY FUND
Farmers & Merchants Bank	Bowdon	Jan. 19, 1925	$ 258 833 42			$ 18 944 46	$ 598 12	$ 22 02
First State Bank	Bowesmont	Apr. 15, 1925	84 307 75			7 376 33	156 95	12 42
Farmers & Mechanics St. Bank	Bowman	Apr. 13, 1923	108 614 43			7 033 64	93 36	2 86
State Bank of Bowman	Bowman	Nov. 28, 1923	208 812 31	$ 12 194 40	$ 155 60	14 607 43	421 13	75 69
Farmers State Bank	Brantford	Nov. 15, 1922	75 226 54	888 81	120 18	7 235 96	55 19	3 15
Security State Bank	Brantford	July 18, 1921	62 825 98	4 050 81	45 59	3 866 81	26 66	9 89
State Bank of Brocket	Brocket	June 7, 1929	144 092 56					
Bucyrus State Bank	Bucyrus	Nov. 24, 1928	82 233 76	10 453 41	17 47			
American State Bank	Burlington	Aug. 9, 1923	399 322 59			7 895 53	47 00	1 00
Farmers & Merchants St. Bank	Calio	Feb. 25, 1926	189 258 23					
Peoples Bank	Calvin	Jan. 21, 1928	53 603 54					
First State Bank	Calvin	June 3, 1929	104 540 24					
Bank of Carbury	Carbury	Jan. 18, 1924	37 566 91	4 474 72	72 27	2 479 53	36 78	15 50
First Security Bank	Carpio	Dec. 27, 1920	23 765 71	2 512 71	72 21	1 246 64	14 16	94 16
Commercial State Bank	Carrington	Mar. 15, 1923	160 914 23			13 322 38	293 28	5 75
First State Bank	Cartwright	Nov. 23, 1923	27 408 75	407 09	17 61	1 862 64	26 81	1 62
Peoples State Bank	Casselton	Oct. 3, 1924	4 859 33	No Claims Allowed				
Cayuga State Bank	Cayuga	Jan. 28, 1924	123 368 77			10 079 16	1 030 19	6 08
Bank of Oliver County	Center	Dec. 6, 1923	191 878 14	4 378 73	56 03	6 830 39	47 83	283 61
Farmers State Bank	Charbonneau	Nov. 19, 1923	58 804 88	1 836 01	42 38	4 032 18	117 38	5 63
Farmers Bank of McKenzie Co.	Charlson	Jan. 9, 1924	39 129 65	2 049 77	57 02	2 302 75	51 94	22 20
Farmers State Bank	Christine	July 13, 1925	196 194 00					
Farmers State Bank	Churchs Ferry	Jan. 22, 1924	98 266 60			9 488 57	57 24	18 19
Clyde State Bank	Clyde	Jan. 30, 1924	90 063 06			3 651 93	186 27	19 93
First State Bank	Cleveland	Feb. 7, 1924	31 501 92			2 521 89	82 94	7 85
Cogswell State Bank	Cogswell	Jan. 5, 1922	205 060 30			12 379 16	884 90	17 53
Farmers & Merchants Bank	Cogswell	Nov. 10, 1923	154 131 16			12 846 04	321 90	17 30
Colgate State Bank	Colgate	Dec. 8, 1927	40 020 92					
Northwestern State Bank	Coleharbor	Dec. 3, 1928	42 347 62					
Security State Bank	Columbus	Nov. 22, 1920	99 767 26	4 635 96	162 44	6 859 68	92 00	10 48
First State Bank	Columbus	Nov. 26, 1928	76 101 90					
Farmers Security Bank	Conway	Dec. 17, 1925	15 632 39					
State Bank of Cooperstown	Cooperstown	Apr. 6, 1927	159 831 02					
Coulee Dairy Bank	Coulee	Jan. 21, 1926	59 774 29	2 766 52	201 91			
Security State Bank	Courtenay	Feb. 21, 1921	87 279 21	1 558 14	320 21	6 660 29	292 47	6 31
Stutsman County Bank	Courtenay	May 12, 1924	173 447 60	21 33		12 931 90	366 44	29 49

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STATEMENT OF CLOSED BANKS ACCOUNTS
(CONTINUED)

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	FUNDS FROM RECEIVER: TOTAL AMOUNT RECEIVED	FUNDS FROM RECEIVER: AMOUNT ON HAND UNDISTRIBUTED	10% GENERAL DIVIDEND PAID DEPOSITORS	RESERVE GENERAL 10% ALLOWED BUT CLAIM NOT PRESENTED BY DEPOSITORS	DIVIDENDS FROM RECEIVER ON CLAIMS PAID IN FULL BY FUND
Farmers Bank	Crary	Nov. 28, 1923	$ 95 066 32	$ 17 103 24	$ 42 77	$ 8 990 13	$ 22 18	$ 40 93
Crete State Bank	Crete	Mar. 12, 1925	94 328 80			4 738 46	209 04	5 90
Crocus State Bank	Crocus	Feb. 21, 1921	42 160 50	490 18	84	1 210 74	28 91	3 56
Crystal State Bank	Crystal	Feb. 24, 1925	93 276 92			5 224 39	435 06	
First State Bank	Crystal Springs	Jan. 4, 1921	121 469 63	169 50	182 31	2 658 84	196 52	3 85
State Bank of Davenport	Davenport	Nov. 27, 1928	150 917 01					
Farmers State Bank	Dawson	Nov. 19, 1923	52 933 62			3 393 00	141 78	25 24
First State Bank	Dawson	Sept. 8, 1923	202 513 26			6 454 50	877 53	2 88
Dazey State Bank	Dazey	Feb. 26, 1923	142 535 30			6 527 36	301 71	1 00
Security Bank	Dazey	July 31, 1928	106 399 76					
Security State Bank	Deering	Nov. 14, 1923	115 097 25			9 129 12	120 29	5 49
De Lamere State Bank	De Lamere	Mar. 16, 1927	127 908 47					
Farmers Bank	Derrick	Feb. 6, 1924	19 453 80	570 55	74 21	837 20	59 00	34 29
Devils Lake State Bank	Devils Lake	Feb. 9, 1925	171 506 86	11 446 44	145 73	13 484 01	573 66	59 67
Farmers State Bank	Dodge	Apr. 30, 1925	115 325 15			9 850 02	379 09	1 00
First State Bank	Dogden	Apr. 15, 1926	69 623 41	5 333 39	289 55			
Donnybrook State Bank	Donnybrook	Nov. 24, 1920	417 355 00			19 098 45	496 38	
Citizens State Bank	Douglas	Jan. 29, 1927	45 432 74					
Citizens Bank	Drayton	June 9, 1927	166 774 81					
State Bank of Dresden	Dresden	Apr. 26, 1928	94 264 34					
Driscoll State Bank	Driscoll	Nov. 8, 1923	104 952 75			4 718 86	90 79	4 70
Farmers & Merchants St. Bank	Driscoll	June 14, 1926	131 923 64					
Farmers Bank of Dunn County	Dunn Center	Aug. 9, 1923	102 928 58			5 654 26	263 89	
First State Bank	Dunn Center	Sept. 13, 1923	134 520 42			8 155 80	182 88	
Dunseith State Bank	Dunseith	May 9, 1921	38 876 65			3 735 61	311 36	4 54
First State Bank	Dwight	Feb. 4, 1928	25 215 83					
Dodge State Bank	Dodge	Nov. 18, 1926	41 050 94					
First State Bank	Easby	May 9, 1924	74 296 24			1 964 85	438 97	72
Farmers State Bank	East Fairview	July 1, 1924	144 661 67	495 06	23 27	3 469 00	72 00	
Eckelson State Bank	Eckelson	Apr. 9, 1929	46 253 78	5 514 37	118 19			
Citizens State Bank	Edgeley	Dec. 6, 1920	311 182 17			25 208 26	636 15	33 32
Bank of Egeland	Egeland	Feb. 6, 1924	89 612 58			4 263 36	28 07	1 65
State Bank of Elliott	Elliott	June 11, 1924	87 511 65			5 169 80	295 62	13 75
Farmers Bank	Emerado	June 24, 1924	67 048 82	4 072 09	619 03	5 110 48	74 88	44 56
Guaranty State Bank	Emerado	June 22, 1927	26 099 23					
First State Bank	Englevale	July 3, 1926	72 446 55	5 939 11	91 64			

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STATEMENT OF CLOSED BANKS ACCOUNTS
(CONTINUED)

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	FUNDS FROM RECEIVER		10% GENERAL DIVIDEND PAID DEPOSITORS	RESERVE GENERAL 10% ALLOWED BUT CLAIM NOT PRESENTED BY DEPOSITORS	DIVIDENDS FROM RECEIVER ON CLAIMS PAID IN FULL BY FUND
				TOTAL AMOUNT RECEIVED	AMOUNT ON HAND UNDISTRIBUTED			
First State Bank	Epping	Sept. 27, 1923	$ 107 254 33			$ 2 043 46	$ 163 38	$ 2 25
Security State Bank	Fairdale	May 29, 1923	91 958 79			3 614 55	92 74	6 33
Scandinavian American Bank	Fargo	Feb. 14, 1921	681 324 19	$ 16 410 06	$ 1 768 99	50 375 17	1 472 53	148 35
Farmers Bank	Fessenden	July 25, 1923	109 503 14			7 238 90	190 22	24 83
First State Bank	Fillmore	Feb. 27, 1923	43 033 41	1 867 64	96 45	2 370 42	84 96	41 89
Merchants State Bank	Fingal	Oct. 11, 1923	131 129 28	21 521 14	391 01	10 703 64	64 05	68 93
State Bank of Finley	Finley	Dec. 19, 1927	144 704 23	14 762 80	81 28			
Citizens State Bank	Flaxton	May 12, 1924	155 552 60	24 145 97	786 91	12 964 62	78 13	68 63
Flora State Bank	Flora	Dec. 12, 1928	30 778 07					
Farmers State Bank	Forman	Apr. 16, 1926	83 382 91	4 850 88	275 63			
First State Bank	Fort Clark	Dec. 6, 1923	76 051 33	2 856 93	203 96	3 791 21	54 57	78 69
Fort Ransom State Bank	Fort Ransom	Oct. 20, 1923	161 370 58	9 068 97	907 17	11 021 78	84 20	22 37
Fortuna State Bank	Fortuna	Nov. 30, 1920	75 931 50	16 970 72	151 42	4 799 28	35 65	72 33
Gardena State Bank	Gardena	Aug. 15, 1924	101 362 93	3 266 52	112 35	4 364 61	932 23	8 33
Farmers Bank	Garrison	Mar. 31, 1926	116 705 08					
Geneseo State Bank	Geneseo	Sept. 20, 1926	103 181 04	6 391 26	93 09			
Bank of Gilby	Gilby	Nov. 23, 1926	161 000 64					
Security State Bank	Glasston	June 4, 1924	30 284 38			1 836 14	26 90	6 95
Glenburn State Bank	Glenburn	May 29, 1924	70 748 68			4 425 04	228 91	2 46
First State Bank	Glenfield	June 29, 1929	43 315 00					
Farmers Bank	Golden Valley	May 3, 1926	83 474 16	6 076 01	436 00			
First American State Bank	Golden Valley	Nov. 10, 1923	148 441 90			7 433 84	165 67	43 36
Scandinavian-American Bank	Grafton	June 1, 1929	282 512 76					
First Savings Bank	Grand Forks	Aug. 15, 1924	285 183 06	31 130 14	853 00	22 597 66	382 95	548 30
Peoples State Bank	Grand Forks	Feb. 27, 1921	197 321 91	16 542 81	610 67	19 196 74	325 26	144 82
Farmers & Merchants St. Bank	Granville	Feb. 3, 1926	223 822 77			9 663 03	111 00	10 17
Granville State Bank	Granville	Oct. 22, 1923	122 400 97			6 069 86	146 65	
Farmers State Bank	Greene	Nov. 30, 1920	118 055 51			10 183 88	592 72	48 25
Farmers State Bank	Grenora	Dec. 11, 1923	158 259 91			2 585 56	324 46	10 48
State Bank of Grenora	Grenora	Nov. 14, 1923	66 640 05					
Farmers State Bank	Gwinner	Oct. 18, 1927	75 841 81					
Farmers State Bank	Halliday	Mar. 24, 1924	64 427 08	3 965 40	330 00	4 544 00	157 97	21 41
Farmers Bank	Hampden	May 12, 1924	145 543 15			5 682 12	523 23	10 08
Security State Bank	Hanks	Feb. 29, 1924	137 373 28			5 867 50	140 29	10 28
Farmers State Bank	Hannaford	June 10, 1926	183 809 73					
State Bank of Hannah	Hannah	Nov. 29, 1927	285 212 11					

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NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	FUNDS FROM RECEIVER: TOTAL AMOUNT RECEIVED	FUNDS FROM RECEIVER: AMOUNT ON HAND UNDISTRIBUTED	10% GENERAL DIVIDEND PAID DEPOSITORS	RESERVE GENERAL 10% ALLOWED BUT CLAIM NOT PRESENTED BY DEPOSITORS	DIVIDENDS FROM RECEIVER ON CLAIMS PAID IN FULL BY FUND
Hansboro State Bank	Hansboro	Jan. 23, 1926	$ 80 919 81					
Bank of Hansboro	Hansboro	Nov. 18, 1927	75 309 16					
Hartland State Bank	Hartland	Dec. 27, 1926	28 608 58	$ 1 724 70	$ 136 35			
First State Bank	Hastings	Jan. 20, 1928	112 117 35	10 489 77	138 70			
Peoples State Bank	Hatton	Oct. 22, 1921	64 141 38	Paid in Full by Receiver				
Farmers State Bank	Havelock	Nov. 18, 1920	47 025 72			$ 3 529 62	$ 143 85	$ 1 98
First State Bank	Haynes	Jan. 28, 1924	82 878 25			5 783 01	288 93	8 32
Farmers Bank of Mercer Co.	Hazen	Aug. 20, 1923	86 217 87	4 207 94	164 75	4 982 34	122 68	179 70
Citizens State Bank	Hazen	Apr. 21, 1921	247 510 04	24 962 69	649 58	11 126 79	109 89	307 97
First State Bank	Hazen	Dec. 7, 1923	146 633 97	6 849 78	109 76	8 230 34	149 82	152 61
Farmers State Bank	Hebron	Apr. 24, 1925	85 603 61	6 235 00	71 00	6 385 00	96 54	58 86
Merchants State Bank	Hebron	Feb. 7, 1927	137 544 94	34 244 86	222 00			
State Bank of Hensel	Hensel	Aug. 15, 1924	96 593 91			7 676 94	151 84	2 89
Farmers State Bank	Hesper	Nov. 17, 1923	12 964 47	2 229 29	4 64	783 32		30 41
Hickson State Bank	Hickson	July 30, 1923	126 753 52	10 864 57	91 72	11 455 50	11 00	45 62
State Bank of Hoople	Hoople	Jan. 13, 1927	282 352 37			13 385 25	298 31	2 38
Horace State Bank	Horace	Aug. 24, 1923	151 679 54			5 619 67	312 04	55 60
Farmers & Merchants Bank	Hunter	Sept.15, 1924	107 289 18					
Hurdsfield State Bank	Hurdsfield	July 25, 1923	51 174 58			1 013 14	69 00	3 00
Bank of Inkster	Inkster	Nov. 21, 1927	159 428 43					
First State Bank	Joliette	Dec. 13, 1923	37 672 04			979 32	39 46	
First State Bank	Juanita	June 7, 1929	52 085 11					
Far. & Merch. Equity Bank	Jud	Jan. 22, 1924	76 916 36	2 894 55	189 73	3 863 53	161 61	23 85
Security State Bank	Karlsruhe	Nov. 7, 1925	58 386 17	3 339 54	47 30			
Karnak State Bank	Karnak	Dec. 12, 1923	15 537 06	2 998 23	265 49	1 446 98	52 00	63 69
Farmers State Bank	Kathryn	Dec. 28, 1927	113 246 85					
First State Bank	Kempton	June 11, 1929	59 249 09					
Security State Bank	Kensal	Apr. 24, 1924	55 075 90			4 594 02	260 11	8 63
Farmers & Merchants Bank	Kensal	Nov. 16, 1928	86 800 88					
First State Bank	Kief	Feb. 18, 1928	36 218 78					
First State Bank	Killdeer	Nov. 22, 1920	49 091 29	5 492 60	170 67	3 178 89	139 01	101 61
Security State Bank	Kintyre	Dec. 29, 1928	111 762 78	9 137 76	416 55			
First State Bank	Kloten	May 17, 1929	112 202 10	19 987 49	91 48			
Kongsberg State Bank	Kongsberg	Nov. 1, 1928	22 222 60					
State Bank of Kramer	Kramer	Nov. 23, 1923	104 350 15			7 342 24	135 68	28 78
Farmers State Bank	Lake Williams	June 6, 1926	51 116 46	3 082 00	39 00			

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STATEMENT OF CLOSED BANKS ACCOUNTS
(CONTINUED)

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	FUNDS FROM RECEIVER: TOTAL AMOUNT RECEIVED	FUNDS FROM RECEIVER: AMOUNT ON HAND UNDISTRIBUTED	10% GENERAL DIVIDEND PAID DEPOSITORS	RESERVE: GENERAL 10% ALLOWED BUT CLAIM NOT PRESENTED BY DEPOSITORS	DIVIDENDS FROM RECEIVER ON CLAIMS PAID IN FULL BY FUND
Farmers & Merchants St. Bank	Lakota	June 5, 1929	$ 247 911 16					
Citizens State Bank	Langdon	Oct. 16, 1924	254 839 83			$ 8 192 17	$ 922 08	$ 1 00
First State Bank	Lansford	June 2, 1924	100 288 31			7 350 44	565 62	26 58
Farmers State Bank	Lawton	Sept. 15, 1924	97 401 25			7 553 99	874 10	15 75
Bank of Leal	Leal	Mar. 25, 1922	132 338 83			9 302 26	175 69	27 73
Farmers & Merchants Bank	Leeds	Sept. 21, 1923	207 427 19	$ 37 819 07	$ 601 55	20 323 12	85 52	171 87
Security Bank	Leeds	Dec. 18, 1923	46 443 98			2 630 11	474 09	5 79
Peoples State Bank	Leith	Feb. 14, 1921	53 450 51	8 314 75		1 302 53	5 18	1 309 67
Ransom County Farmers Bank	Lisbon	Nov. 19, 1923	120 626 53			6 889 84	352 53	22 77
First State Bank	Litchville	Nov. 19, 1923	226 099 91	17 772 88	107 77	20 618 13	124 04	81 32
First State Bank	Lone Tree	Dec. 11, 1922	63 643 93			1 480 40	139 00	
Loraine State Bank	Loraine	Mar. 29, 1924	57 968 37	4 303 65	88 70	5 246 35	101 68	53 28
Mountrail County State Bank	Lostwood	July 18, 1927	28 467 10					
First State Bank	Ludden	Mar. 13, 1929	48 417 79	11 286 82	37 79			
Pioneer State Bank	Luverne	June 30, 1927	40 905 97					
Luverne State Bank	Luverne	Nov. 30, 1927	131 186 90	11 214 77	112 35			
McLeod State Bank	McLeod	Aug. 27, 1926	78 615 45					
Citizens State Bank	Maddock	Jan. 26, 1924	87 954 20			6 556 76	473 90	126 22
Bank of Maida	Maida	Sept. 15, 1924	45 295 02			1 665 07	916 99	4 68
Farmers & Merchants Bank	Manitou	July 19, 1927	17 420 59					
Mercer County State Bank	Mannhaven	Feb. 2, 1924	34 690 01			2 559 67	71 19	238 82
First State Bank	Manning	Dec. 18, 1923	33 236 39	1 231 55	31 43	2 883 57	31 66	28 23
Guaranty State Bank	Mantador	Oct. 6, 1926	50 404 50	2 751 45	60 50			
Farmers State Bank	Mantador	Oct. 10, 1927	27 313 91					
First State Bank	Manvel	Nov. 16, 1925	86 542 28					
Farmers State Bank	Mapes	Mar. 13, 1926	36 739 04	2 250 54	70 34			
Marion State Bank	Marion	Dec. 16, 1927	154 432 12	14 774 82	79 88			
State Bank of Maxbass	Maxbass	Jan. 25, 1924	62 311 67			2 613 17	653 80	2 67
Maxbass Security Bank	Maxbass	Dec. 9, 1926	41 583 35					
Maza State Bank	Maza	Mar. 3, 1928	19 766 84	2 054 74	5 66			
Farmers & Merchants Bank	McHenry	Dec. 24, 1928	65 853 95					
Bank of Melville	Melville	Feb. 13, 1928	38 693 66					
Menoken Farmers State Bank	Menoken	Jan. 19, 1924	18 058 19	332 20	15 90	498 49	14 95	32 77
Michigan City Bank	Michigan	May 26, 1926	79 110 23					
State Bank of Milton	Milton	Dec. 13, 1920	273 369 70			23 723 22	307 33	11 58
First Farmers Bank	Minot	Dec. 27, 1920	215 853 68	26 697 38	622 66	16 035 76	483 57	243 23

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Scandinavian American Bank	Minot	Oct. 16, 1924	$ 307 456 50			$ 21 421 43	$ 505 52	$ 9 81
First State Bank	Minto	Oct. 13, 1927	83 933 27					
Mohall Security Bank	Mohall	Dec. 15, 1923	160 521 17			9 430 30	359 49	1 00
Mohall State Bank	Mohall	Nov. 24, 1920	592 518 41			18 136 90	999 24	3 88
Farmers & Merchants St. Bank	Monango	Mar. 31, 1923	114 705 93			7 727 75	156 15	9 16
State Guaranty Bank	Mott	Jan. 12, 1927	144 690 01	$ 12 270 00	$ 364 00			
Mountain State Bank	Mountain	Oct. 26, 1925	78 113 34					
Bank of Mowbray	Mowbray	Nov. 30, 1921	35 897 01			1 682 89	45 12	
Farmers Bank	Munich	Feb. 17, 1926	237 420 30					
First State Bank	Mylo	Feb. 6, 1928	69 684 39	2 115 05	114 15			
State Bank of Nanson	Nanson	Jan. 24, 1925	52 241 30			1 494 76	239 25	2 12
Farmers State Bank	Neche	Sept. 22, 1923	40 050 49	3 810 19	18 76	2 790 47	21 00	34 00
State Bank of Newburg	Newburg	Jan. 2, 1924	124 898 05			9 071 85	695 00	12 92
New England State Bank	New England	Mar. 31, 1925	46 416 99			3 334 00	290 00	20 95
Security State Bank	New England	Nov. 18, 1920	289 941 83	16 075 17	657 88	16 973 39	159 93	82 38
Farmers State Bank	New Leipzig	May 2, 1925	126 957 38					
New Leipzig State Bank	New Leipzig	Aug. 12, 1926	109 919 17					
Bank of New Rockford	New Rockford	Jan. 14, 1921	329 306 40			28 472 97	1 067 88	1 00
Farmers & Merchants Bank	New Rockford	Aug. 8, 1923	343 427 37			30 618 98	1 550 09	60 04
State Bank of New Salem	New Salem	Oct. 16, 1924	336 341 18	58 044 03	996 69	34 111 00	1 022 33	122 70
Newville State Bank	Newville	Dec. 11, 1923	25 072 80	818 78	7 66	799 87	6 91	5 29
Bank of Niagara	Niagara	Nov. 21, 1927	99 575 72					
Farmers State Bank	Nome	Nov. 23, 1922	304 645 40			14 527 98	318 28	19 35
First State Bank	Nome	Jan. 2, 1923	79 208 47	3 420 91	363 21	4 255 64	97 00	39 19
Farmers State Bank	Noonan	Feb. 9, 1925	39 545 69			3 094 07	63 78	29 50
Norma State Bank	Norma	Nov. 19, 1928	88 442 81					
Nortonville State Bank	Nortonville	Nov. 12, 1926	45 679 78					
First State Bank	Norwich	Oct. 22, 1923	75 027 08			6 074 06	107 03	4 58
Security Bank	Oberon	Jan. 21, 1924	75 060 01	12 955 73	217 87	4 700 07	816 14	51 25
First State Bank	Olga	Sept. 13, 1924	104 985 85			1 953 22	215 85	1 20
State Bank of Olmstad	Olmstad	Oct. 31, 1923	61 211 18	1 473 64	131 21	3 943 57	91 09	1 05
Citizens Bank	Omemee	Jan. 26, 1924	122 363 34			6 503 87	193 00	
Farmers State Bank	Oriska	Oct. 2, 1923	36 917 39			2 317 69	186 83	10 74
State Bank of Oriska	Oriska	Aug. 18, 1923	162 574 20	11 987 76	173 52	13 129 05	229 84	156 07
Bank of Orr	Orr	Jan. 19, 1924	114 546 36			4 861 58	330 70	7 79
Great Western Bank	Osnabrock	Dec. 14, 1922	116 560 90			4 572 67	236 78	

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Farmers & Merchants Bank	Overly	Sept. 25, 1923	$ 76 699 08			$ 5 442 66	$ 138 00	$ 2 01
Farmers State Bank	Page	Oct. 23, 1928	59 441 42	$ 8 868 49	$ 60 50			
Bank of Park River	Park River	May 10, 1924	332 955 74	14 819 99	715 96	30 880 55	1 335 11	83 41
Bank of Perth	Perth	May 26, 1925	119 306 35			8 687 88	140 34	1 00
Towner County Bank	Perth	Oct. 29, 1925	138 256 88					
Merchants Bank of Pembina	Pembina	June 6, 1927	222 872 35					
Citizens State Bank	Pingree	Apr. 13, 1921	112 327 57			8 965 25	99 62	
Pisek State Bank	Pisek	Jan. 4, 1928	141 586 82					
First International Bank	Portal	Nov. 16, 1923	113 308 41			9 720 77	848 57	22 18
Portal State Bank	Portal	Apr. 29, 1924	126 977 80	9 295 13	1 019 50	10 747 70	615 69	57 83
State Bank of Powers Lake	Powers Lake	Feb. 16, 1926	133 184 94					
Prosper State Bank	Prosper	Feb. 24, 1921	50 088 23	9 105 42	252 98	5 088 90	10 00	21 18
Farmers State Bank	Rawson	Jan. 4, 1924	76 233 92	2 639 28	92 70	4 852 69	78 22	8 18
Farmers Bank of Ray	Ray	Aug. 9, 1923	210 037 85			7 495 15	39 51	
First State Bank	Ray	May 20, 1929	73 502 57					
Farmers & Merchants Bank	Reeder	Nov. 13, 1924	92 078 85			4 211 00	152 00	6 94
Farmers State Bank	Regan	Dec. 15, 1923	96 042 50	3 070 98	322 71	5 252 83	144 99	13 99
Regan State Bank	Regan	Nov. 25, 1928	45 304 68					
First State Bank	Regan	Dec. 1, 1928	43 093 15	2 689 00	114 00			
Regent State Bank	Regent	July 12, 1921	86 530 52	10 015 52	368 34	6 503 59	107 06	77 61
State Bank of Revere	Revere	Dec. 11, 1926	21 249 84					
Farmers State Bank	Rhame	Nov. 26, 1920	282 356 05	513 73	06	12 306 35	336 88	20 02
Farmers & Merchants Bank	Robinson	Jan. 18, 1921	82 713 23			6 441 20	347 55	21 10
Rock Lake State Bank	Rock Lake	Feb. 9, 1927	51 441 29	3 019 62	285 78			
State Bank of Rolla	Rolla	Nov. 27, 1923	97 505 62			7 838 89	103 98	1 00
Farmers & Merchants Bank	Rolla	Mar. 29, 1929	64 761 94					
First State Bank	Ruso	Nov. 2, 1923	84 846 30			3 231 50	193 42	2 98
First State Bank	Russell	Nov. 26, 1923	46 357 02			1 378 14	123 71	8 36
First State Bank	Rutland	Oct. 1, 1926	106 287 35					
First State Bank	Ryder	Aug. 4, 1926	59 083 94					
Bank of Sanborn	Sanborn	Feb. 26, 1921	132 991 02	1 073 13	29 99	8 168 40	89 43	6 22
Farmers Exchange Bank	Sanger	Nov. 19, 1925	28 594 14	5 297 33	109 31			
American State Bank	Sanish	Aug. 9, 1923	52 863 67			1 925 00	11 00	
Farmers State Bank	Sanish	Aug. 9, 1923	119 831 04	2 281 81	58 35	2 488 02	40 00	15 08
Merchants State Bank	Sarles	Nov. 22, 1927	140 996 02					
First State Bank	Sawyer	Oct. 3, 1921	151 575 02			7 402 42	170 32	

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Sawyer State Bank	Sawyer	July 21, 1921	$ 92 650 11			$ 4 595 92	$ 148 86	$ 8 85
Farmers & Merchants St. Bank	Sherwood	Jan. 26, 1924	114 350 63			8 832 56	821 35	13 56
Security State Bank	Sheyenne	Jan. 7, 1924	182 516 96	$ 15 419 95	$ 109 15	16 239 91	143 55	110 54
House River Valley Bank	Souris	Feb. 25, 1924	91 938 31	6 064 01	22 58	6 432 81	495 81	23 29
Springbrook State Bank	Springbrook	Nov. 26, 1923	34 861 81	No Liability to Guaranty Fund				
First State Bank	Stady	Mar. 31, 1924	62 584 61			3 795 77	577 60	7 12
Citizens State Bank	Stanley	Feb. 18, 1926	202 480 96					
First State Bank	Stanton	Feb. 23, 1928	160 882 08					
Stirum State Bank	Stirum	Nov. 3, 1926	114 169 07					
Farmers State Bank	Strasburg	Jan. 9, 1924	80 705 11	4 368 20	358 58	3 630 04	57 94	17 98
Farmers State Bank	St. Thomas	May 20, 1929	123 568 77	15 316 78	27 11			
Sykeston State Bank	Sykeston	Jan. 21, 1929	117 366 32	8 246 30	597 51			
Citizens State Bank	Tagus	Oct. 9, 1923	112 690 23			4 496 73	159 00	1 00
Security Bank	Temple	Dec. 16, 1927	28 348 93	3 522 96	140 14			
Timmer State Bank	Timmer	Feb. 28, 1921	38 411 07	3 483 86	95 93	2 518 78	27 84	38 12
Tokio State Bank	Tokio	Feb. 4, 1928	27 992 40	2 184 19	20 91			
Tolley State Bank	Tolley	Nov. 15, 1920	303 505 58			17 019 22	301 40	77
First State Bank	Tower City	Apr. 16, 1924	23 793 16			1 152 24	78 28	18 75
Tower City State Bank	Tower City	Oct. 5, 1923	41 617 05			2 304 22	93 00	4 14
Towner State Bank	Towner	Jan. 14, 1926	58 790 66	2 887 01	104 48			
Trenton State Bank	Trenton	Nov. 26, 1923	16 503 29	No Liability to Guaranty Fund				
Tuttle State Bank	Tuttle	Dec. 23, 1927	65 319 08	2 953 00	48 00			
Underwood State Bank	Underwood	Nov. 4, 1926	117 865 00					
Scandinavian American Bank	Van Hook	Aug. 9, 1923	168 646 27			2 002 84	647 56	1 00
First State Bank	Velva	Oct. 15, 1925	139 513 13			* 79 00		
Merchants State Bank	Velva	May 9, 1924	187 349 13			13 199 33	440 87	18 94
Farmers State Bank	Verendrye	Oct. 20, 1926	60 920 57					
Farmers State Bank	Voltaire	Nov. 9, 1923	33 752 43	2 435 23	55 19	2 658 99	18 05	6 49
Wahpeton State Bank	Wahpeton	Oct. 30, 1926	188 760 06	12 724 92	199 33			
Farmers & Merchants St. Bank	Wahpeton	Oct. 27, 1928	71 294 53					
First State Bank	Walcott	Jan. 18, 1927	208 326 73	17 309 27	333 32			
Citizens State Bank	Wales	June 10, 1929	73 247 02					
State Bank of Wales	Wales	Jan. 11, 1928	113 710 94					
Citizens State Bank	Walhalla	Dec. 21, 1927	251 094 16	20 268 04	621 54			
Farmers State Bank	Walum	June 6, 1921	327 749 81			7 043 49	39 00	
Farmers & Merchants Bank	Warwick	Jan. 8, 1926	143 096 14					

Note:* $79.00 paid on First State Bank of Velva on claim #48786 but no general dividend has been declared on said bank.

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American Exchange Bank	Watford City	Nov. 27, 1923	$ 37 267 92	$ 1 573 83	$ 115 00	$ 3 095 46	$ 104 00	$ 32 59
Farmers State Bank	Watford City	Dec. 13, 1923	107 389 83	1 653 91	239 68	4 784 37	131 82	4 14
McKenzie County State Bank	Watford City	July 7, 1921	124 508 48	12 012 22	666 16	8 440 19	311 67	37 34
First State Bank	Werner	Jan. 11, 1926	72 620 04					
Merchants State Bank	Werner	Sept. 27, 1923	84 623 88			4 139 05	880 43	10 67
Farmers State Bank	Wheatland	Nov. 19, 1925	53 717 19					
State Bank of Wheatland	Wheatland	Nov. 19, 1928	28 700 44					
Farmers State Bank	Wildrose	June 2, 1924	94 940 09			5 497 13	584 64	9 22
First State Bank	Wildrose	Sept. 13, 1924	142 729 42			5 688 62	959 05	57 66
Security State Bank	Wildrose	Jan. 31, 1929	101 778 25					
Williams County Bank	Williston	June 12, 1923	680 974 44			41 771 01	759 76	65 74
Williston State Bank	Williston	Apr. 4, 1921	289 496 69			19 595 28	810 60	31 50
Burleigh County State Bank	Wing	Dec. 16, 1925	79 218 59	4 675 18	211 76			
State Bank of Wolford	Wolford	Dec. 28, 1923	180 175 00			12 362 73	297 52	12 73
AMOUNT TO STATEMENT			$ 38 811 339 31	$ 987 963 29	$ 29 527 55	$ 1 567 826 96	$ 56 441 51	$ 7 907 99

CLOSED BANKS PAID OFF IN FULL FROM DEPOSITORS' GUARANTY FUND

First State Bank	Jud	July 31, 1919	86 561 43
Farmers State Bank	Marmarth	June 24, 1920	100 630 40
TOTAL FULL AND 10% DIVIDENDS PAID			$ 1 755 018 79

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DETAIL "D"

BANK ASSESSMENTS LEVIED

DECEMBER 1-1928 TO NOVEMBER 30-1930

	Dr.	Cr.
SPECIAL 1/20 of 1% ASSESSMENTS		
2nd Additional for year ending June 30-1928		$ 27 590 70
3rd " " " "		27 441 57
4th " " " "		27 315 54
MISCELLANEOUS ADJUSTMENTS		
Special Charges to Closed Banks		1 491 49
Added Charges on Assessments		1 478 61
Refund of overpayment of assessment	$ 2 476 18	
Refunds to Nationalized Banks	783 12	
National Bank Assessments Cancelled	10 066 10	
Net Assessment Fees Charged Banks	71 992 51	
	$ 85 317 91	$ 85 317 91

All cancellations and refunds of assessments were authorized by resolutions of the Commission, and noted in detail in the minutes of proceedings.

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DETAIL "E"

DEPOSITORS' GUARANTY FUND

INTEREST RECEIVED ACCOUNT

DECEMBER 1-1928 TO DECEMBER 30-1930

Interest Received on Average Daily Balances from the Bank of North Dakota:

For Month of	December 1928	$ 65 98
	January 1929	84 12
	February	74 08
	March	156 36
	April	215 27
	May	214 06
	June	198 57
	July	183 69
	August	165 56
	September	155 76
	October	158 93
	November	157 55
	December	171 15
	January 1930	211 89
	February	194 76
	March	192 80
	April	187 06
	May	165 66
	June	203 29
	July	212 66
	August	218 42
	September	195 89
	October	198 28
	November	178 05

Interest Received on Certificate of Deposit, Bank of North Dakota:

July 2, 1929	97 35
July 3, 1930	440 00

TOTAL INTEREST COLLECTIONS $ 4 697 19

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DETAIL "F"

DEPOSITORS' GUARANTY FUND

EXAMINATION FEES EARNED

BANK CHARGED		AMOUNT
Norma State Bank		$ 65 00
Bucyrus State Bank		60 00
Bank of Hazelton		148 50
Security State Bank of Kintyre		60 00
First State Bank of Mylo		52 14
First State Bank of Ray		60 00
Security State Bank, Wildrose		60 00
Scandia American Bank, Grafton		60 00
First State Bank, Kempton		60 00
Farmers & Merchants Bank, Sheyenne		158 00
First State Bank, Minto		63 30
First State Bank, Rogers		96 88
Gwinner State Bank		60 00
Flora State Bank		47 94
Farmers & Merchants State Bank, Rolla		62 83
First National Bank, Crary		24 28
Farmers & Merchants State Bank, Verona		60 00
Bank of McCanna		158 50
Gwinner State Bank, Less Exchange		144 13
STATE EXAMINERS FEES FROM RESERVE OF CLOSED BANKS		
Farmers State Bank of Towner	$ 5 00	
Security State Bank of Benedict	5 00	
Far. & Mer. St. Bank, Kenmare	5 00	
Burke Co. State Bank, Bowbells	30 00	
Farmers State Bank of Alamo	5 00	
Farmers State Bank of Watford City	10 00	
Kongsberg State Bank	5 00	
Security State Bank of Benedict	5 00	
Farmers State Bank of Alamo	5 00	
Security State Bank of Benedict	5 00	
Farmers State Bank of Alamo	10 00	90 00
		$ 1 591 50

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DETAIL 'I'

DEPOSITORS' GUARANTY FUND

SUMMARY OF OPERATING EXPENSES PAID

DECEMBER 1-1928 TO NOVEMBER 30-1930

CLASSIFICATION OF EXPENSE	EXPENSE PAID FROM STATE GENERAL FUND APPROPRIATION	EXPENSE PAID FROM GUARANTY FUND	TOTAL EXPENSE PAID
Commissioners Per Diem	$ 910 00		$ 910 00
Clerk Hire	12 115 50		12 115 50
Postage	2 005 34		2 005 34
Supplies	383 98		383 98
Furniture & Fixtures	286 70		286 70
Printing	751 50	$ 8 50	760 00
Miscellaneous	2 113 48	225 99	2 339 47
Commission Traveling Expense	1 797 12		1 797 12
Inspectors Salaries	1 500 00	1 500 00	3 000 00
Inspectors Traveling	43 44		43 44
Auditors Salary		4 833 34	4 833 34
Auditors Traveling		3 161 07	3 161 07
Referee & Legal Counsel Salary		19 700 02	19 700 02
Referee & Legal Counsel Traveling		1 340 08	1 340 08
Special Legal Services		1 288 20	1 288 20
Paid to State General Fund as Provided by Chap. 259 S.L. 1927		4 000 00	4 000 00

TOTAL PAID FROM STATE GENERAL FUND	$ 21 907 06		
TOTAL PAID FROM GUARANTY FUND		$ 36 057 20	
GRAND TOTAL			$ 57 964 26

See following pages for further detail.

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DEPOSITORS' GUARANTY FUND COMMISSION

OPERATING EXPENSE FROM 1927-1929 APPROPRIATION FROM STATE GENERAL FUND

MONTH	TOTAL PAYMENTS	COMMISSIONER PER DIEM	CLERK HIRE	POSTAGE	MISC.	SUPPLIES	FURNITURE AND FIXTURES	PRINTING	TRAVELING EXPENSE COMM.	INSPECTOR SALARIES	TRAVELING EXPENSE INSPECTOR
December 1928	$ 865 16	$ 35 00	$ 485 00	$ 30 00	$ 44 55			$ 46 84	$ 57 10	$ 166 67	
January 1929	1 544 23	55 00		204 80	1 084 51		$ 68 00	5 78	82 70		$ 43 44
February	1 043 01	170 00	537 50	52 00	45 67				71 18	166 66	
March	1 147 68	60 00	565 00	72 00	66 25			141 39	76 37	166 67	
April	1 091 57	105 00	575 00	64 50	9 65	$ 44 35			126 40	166 67	
May	1 510 12	20 00	575 00	664 60	28 01			32 80	23 05	166 66	
June	1 911 66		1 183 00		331 98			63 34		333 34	
July (Prior Accts.)	1 205 64			719 44	2 86	15 96	156 00	179 68	131 70		
TOTAL EXPENDITURES	$ 10 319 07	$ 445 00	$3 920 50	$1 807 34	$1 613 48	$ 60 31	$ 224 00	$ 469 83	$ 568 50	$1 166 67	$ 43 44
BALANCE REMAINING FROM 1927-1929 APPROPRIATION ON DECEMBER 1-1928 AS PER PREVIOUS AUDIT	$ 31 308 32	$2 150 00	$7 732 01	$5 238 80	$1 739 76	$ 82 55	$ 84 30	$ 991 75	$2 945 25	$5 166 67	$5 177 23
Total Expenditures as above	10 319 07	445 00	3 920 50	1 807 34	1 613 48	60 31	224 00	469 83	568 50	1 166 67	43 44
UNEXPENDED BALANCE	$ 20 989 25	$1 705 00	$3 811 51	$3 431 46	$ 126 28	$ 22 24	139 70	$ 521 92	$2 376 75	$4 000 00	$5 133 79

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DEPOSITORS' GUARANTY FUND COMMISSION

OPERATING EXPENSE FROM 1929-1931 APPROPRIATION FROM STATE GENERAL FUND

MONTH	TOTAL PAYMENTS	COMMISSIONER PER DIEM	CLERK HIRE	POSTAGE	SUPPLIES	FURNITURE AND FIXTURES	PRINTING	MISC.	TRAVELING EXPENSE COMM.	SALARY OF SUPERVISOR AND INSPECTOR	TRAVELING EXPENSE INSPECTOR
July 1929	$ 1 318 78		$ 665 00					$ 379 67	$ 107 45	$ 166 66	
August	1 024 68	$ 75 00	585 00		$ 20 20		$ 58 41	6 10	113 30	166 67	
September	627 48		585 00		11 28		15 05	16 15			
October	699 63		585 00				41 46	17 27	55 90		
November	840 56	100 00	475 00					4 45	261 11		
December	561 14		475 00		33 35		13 82	38 97			
January 1930	520 75		475 00	$ 30 00	11 25			4 50			
February	698 08	60 00	475 00		3 65		41 95	46 20	71 28		
March	729 84		595 00	20 00	114 84						
April	761 35	100 00	375 00		17 35	$ 51 20	20 65	5 00	192 15		
May	516 92		435 00	36 00	41 75		22 48	18 31 Cr.			
June	573 38	30 00	465 00		11 25		21 75		45 38		
July	523 02		420 00	20 00			24 07		58 95		
August	709 40	75 00	390 00		10 65	11 50			222 25		
September	503 52		390 00	92 00	6 95		14 57				
October	379 51		340 00				7 46		32 05		
November	599 95	25 00	465 00		41 15				68 80		
TOTAL PAYMENTS	11 587 99	465 00	8 195 00	198 00	323 67	62 70	281 67	500 00	1 228 62	333 33	
1929-1931 APPROPRIATION FROM GENERAL FUND PROVIDED BY SUB.DIV. 20 CHAP.20-1929 S.L.	$32 000 00	$2 000 00	$12 000 00	$2 000 00	$2 000 00	$500 00	$2 000 00	$500 00	$2 000 00	$6 000 00	$3 000 00
Total Expenditures	11 587 99	465 00	8 195 00	198 00	323 67	62 70	281 67	500 00	1 228 62	333 33	
UNEXPENDED BALANCE	$20 412 01	$1 535 00	$3 805 00	$1 802 00	$1 676 33	$437 30	$1 718 33		$ 771 38	$5 666 67	$3 000 00

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OPERATING EXPENSE PAID DIRECT FROM DEPOSITORS' GUARANTY FUND

MONTH	TOTAL PAYMENTS	INSPECTORS SALARIES	AUDITORS SALARIES	REFEREE AND LEGAL COUNSEL SALARIES	AUDITORS TRAVELING	REFEREE TRAVELING	LEGAL SERVICES	MISCELLANEOUS	PRINTING
December 1928	$ 1 488 88	$ 166 67	$ 200 00	$ 820 83	$ 301 38				
January 1929	1 519 56	166 66	200 00	820 83	122 44	$ 209 63			
February	1 187 51	166 67	200 00	820 84					
March	2 805 04	166 67	200 00	820 83	275 73	53 61	$ 1 288 20		
April	1 323 61	166 66	200 00	820 83	136 12				
May	1 237 21	166 67	200 00	820 84		49 70			
June	1 551 78	166 67	200 00	820 83	364 28				
July	1 579 91	166 66	333 34	820 83	215 08	47 30		3 30 Cr.	
August	1 522 14	166 67	300 00	820 84	217 63	17 00			
September	1 199 57		200 00	820 83	162 14	16 60			
October	1 195 39		200 00	820 83	156 81	17 75			
November	1 034 04		200 00	820 84				4 70	8 50
December	1 227 05		200 00	820 83	136 32	69 90			
January 1930	1 462 22		200 00	820 83	379 96	61 43			
February	1 020 84		200 00	820 84					
March	1 249 48		200 00	820 83	121 12	107 53			
April	1 221 22		200 00	820 83	166 09	23 55		10 75	
May	1 257 97		200 00	820 84	145 22	41 00		50 91	
June	1 032 83		200 00	820 83				12 00	
July	1 329 20		200 00	820 84	140 66	88 53		79 17	
August	1 302 61		200 00	820 84	120 09	114 92		46 76	
September	1 031 59		200 00	820 84				10 75	
October	1 448 47		200 00	820 84		421 63		6 00	
November	829 08			820 83				8 25	
	$ 32 057 20	$ 1 500 00	$ 4 833 34	$ 19 700 02	$ 3 161 07	$ 1 340 08	$ 1 288 20	$ 225 99	$ 8 50

Balance in Fund Dec. 1-1928	$ 16 312 37	
Refund to this fund March 1929	66 95	
Transfered to St. Treas. July 1929	20 000 00	
Transfered to St. Treas. July 1930	10 000 00	
Transfered to Fund from St. Treas. Oct. 30-1930		$ 5 265 73
Expenditures Dec.1-1928 to Nov. 30-1930 as above		32 057 20
UNEXPENDED BALANCE WITH ST. TREAS.		9 056 39
	$ 46 379 32	$ 46 379 32

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OFFICERS AND EMPLOYEES OF DEPOSITORS' GUARANTY FUND COMMISSION

NAME	ADDRESS	POSITION	RATE	TOTAL AMOUNT PAID DEC.1-1928 TO NOV.30-1930	DATE OATH OF OFFICE FILED	BOND WITH STATE BONDING DEPARTMENT AMOUNT	BOND WITH STATE BONDING DEPARTMENT EXPIRATION DATE
Geo. F. Shafer, Gov.	Bismarck	Member of Commission	Ex Officio				
C. F. Mudget, Manager	Bank of N.D.	Member of Commission	Ex Officio				
H. A. Fisher	Washburn	Member of Commission	$ 5 00 Per Diem	$ 195 00	July 19-1927	$ 10 000 00	Dec. 31-1930
A. W. Engel	Esmond	Member of Commission	5 00 "	580 00	July 10-1928	10 000 00	July 1-1931
Arthur L. Netcher	Fessenden	Member of Commission			July 6-1929	10 000 00	July 1-1932
S. C. Severtson	Bismarck	Ex-Member of Commission	5 00 "	135 00	July 14-1926	10 000 00	July 1-1929
Gilbert Semingson	St. Examiner	Secretary-Treasurer			July 6-1929	30 000 00	Dec. 31-1930
H. R. Winter	Bismarck	Asst. Secretary	175 00 Per Mo.	4 200 00	July 6-1929	10 000 00	Dec. 31-1930
Dorothy Rasch	"	Stenographer	125 00 "	2 495 00			
Lena Willenburg	"	"	110 00 "	1 210 00			
Audry Rohrer	"	"	90 00 "	420 00			
Mabel Larson	"	"	100 00 "	125 00			
Adele Kaufman	"	"	90 00 "	123 00			
Flora Larson	"	"	90 00 "	180 00			
Stella Rognlie	"	"	90 00 "	1 642 50			
Anna Manson	"	"	110 00 "	1 570 00			
Frances Dairs	"	"	75 00 "	150 00			
F. W. Cathro	"	Inspector	4 000 00 Per Yr.	3 000 00			
D. J. Heaney	Courtenay	Auditor	2 400 00 "	4 600 00	Dec. 1-1926	10 000 00	Dec. 31-1930
C. R. Holmes		"		233 34			
C. J. Fisk	Minot	Referee	4 000 00 "	8 000 02	April 2-1925	10 000 00	Dec. 31-1930
Clyde Duffey	Devils Lake	Legal Counsel	3 600 00 "	7 200 00	July 22-1929	10 000 00	Dec. 31-1930
Joseph E. Sullivan	Mandan	Reporter	2 250 00 "	4 500 00	April 29-1925	10 000 00	Dec. 31-1930
TOTAL PAYROLL				$ 40 558 86			

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DETAIL "J"

UNCOLLECTABLE ACCOUNTS CHARGED OFF

ACCOUNT		DR.	CR.
ASSESSMENTS DUE FROM CLOSED BANKS			
Farmers & Merchants Bank	Aneta	$ 451 80	
State Bank of Aurelia	Aurelia	536 30	
Balfour State Bank	Balfour	557 65	
State Bank of	Berthold	1 033 70	
First State Bank	Beulah	965 55	
Bordulac State Bank	Bordulac	137 00	
Bottineau County Bank	Bottineau	1 264 15	
Farmers & Merchants Bank	Cogswell	2 549 40	
Crete State Bank	Crete	444 55	
Dazey State Bank	Dazey	668 15	
Farmers Bank of Dunn Co.	Dunn Center	819 55	
First State Bank	Dunn Center	1 013 05	
First State Bank	Easby	1 035 53	
Farmers Bank of	Fessenden	303 60	
Farmers Bank of	Garrison	754 25	
Granville State Bank	Granville	298 15	
State Bank of	Grenora	213 85	
Security State Bank	Hanks	143 52	
State Bank of	Hannah	1 343 70	
Citizens State Bank	Langdon	3 935 55	
First State Bank	Ludden	128 95	
Citizens State Bank	Maddock	151 62	
Maxbass State Bank	Maxbass	313 20	
State Bank of	Maxbass	853 40	
Bank of	Newbray	251 20	
Bank of	New Rockford	923 04	
Citizens Bank	Omemee	1 242 40	
Bank of	Orr	1 529 10	
Great Western Bank	Osnabrock	1 218 55	
Bank of	Perth	891 60	
Towner County Bank	Perth	1 183 40	
Pisek State Bank	Pisek	445 15	
Farmers Bank	Ray	2 159 00	
State Bank of	Rolla	204 96	
First State Bank	Ruso	992 05	
First State Bank	Ryder	578 00	
Underwood State Bank	Underwood	1 145 20	
Merchants State Bank	Werner	835 40	
TOTAL BANK ASSESSMENTS			$33 515 22
SPECIAL DEPOSITS MADE TO BANKS THAT CLOSED			
Farmers State	Dunn Center	1 288 31	
State Bank of	Grenora	1 190 12	
Security State Bank	Hanks	5 651 04	
State Bank of	Maxbass	9 048 40	

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UNCOLLECTABLE ACCOUNTS CHARGED OFF-CONTINUED

ACCOUNT		DR.	CR.
SPECIAL DEPOSITS MADE TO BANKS THAT CLOSED			
Scandinavian American Bnk.	Minot	$ 4 167 45	
Farmers Bank	Ray	589 93	
Farmers & Merchants St. Bnk.	Sherwood	7 252 44	
Tolley State Bank	Tolley	5 193 09	
William Co. St. Bank	Williston	18 405 06	
Williston State Bank	Williston	11 018 74	
TOTAL SPECIAL DEPOSITS		63 804 58	
EXPENSES & FEES CHARGED CLOSED BANKS BY THE DEPOSITORS' GUARANTY COMMISSION			
State Bank of	Grenora	17 75	
Citizens Bank of	Maddock	47 40	
Citizens Bank of	Omemee	244 12	
Farmers Bank of	Ray	1 60	
State Bank of	Rolla	1 60	
TOTAL EXPENSE CHARGES		312 47	
REMITTANCE FROM RECEIVER OF CLOSED BANKS IN SETTLEMENT OF ABOVE ACCOUNTS			$ 40 005 94
COMPROMISE SETTLEMENT OF ASSESSMENTS ON BANKS THAT HAD NATIONALIZED			
Taylor State Bank	Taylor	89 48	
Citizens State Bank	Sharon	182 32	
Lamb Bank	Whitman	235 95	
Merchants & Farmers Bank	Cavalier	837 99	1 345 74
Less: Collections from Bank of North Dakota on Williston Collateral			165 45
Miscellaneous Adjustments of Special Dividends		4 57	
TOTAL LOSS CHARGED OFF			58 811 19
		$ 98 982 58	$ 98 982 58

Compromise settlement with Receiver is set out in detail and approved by Commission, as shown by the records and files of the department.

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UNCORRECTED DISCREPANCIES OF PAYMENTS ON CLAIMS

DECEMBER 1-1928 TO NOVEMBER 30-1930

BANK	CLAIM NUMBER	AMOUNT UNDERPAID	AMOUNT OVERPAID
Tolley State Bank	152	$ 10 00	
Scandinavian American Bank, Fargo	7323		$ 3 00
Fort Ransom State Bank	A23715		1 00
Commercial State Bank, Carrington	14761		73 00
Farmers State Bank, Watford City	30044	9 00	
" " "	30157	1 00	
Farmers State Bank, Rawson	31675	2 00	
Security State Bank, Hanks	36100	1 00	
Farmers Bank, Derrick	35133	1 00	
Farmers State Bank, Noonan	46328	1 00	
Farmers State Bank, Hebron	47411	1 00	
First Savings Bank, Grand Forks	41716		09
" " "	41764	1 00	
First State Bank, Wildrose	42713	1 00	
State Bank of Berthold	44986	1 00	
Farmers & Merchants Bank, Bowdon	45527	1 00	
First State Bank, Velva	48786	- No dividend was ever declared on this bank	79 00
TOTAL OVERPAYMENTS			$ 156 09
TOTAL UNDERPAYMENTS		$ 30 00	

All other clerical errors, made up principally of postings to the wrong accounts, were corrected on the books during the process of our audit.

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AUDIT REPORT

OF DEPOSITOR'S GUARANTY FUND

BISMARCK, N. DAK.

FROM

NOVEMBER 1, 1924

TO

NOVEMBER 30, 1926

O. B. LUND

AUDITOR AND ACCOUNTANT

BISMARCK NORTH DAKOTA

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AUDIT REPORT

OF DEPOSITOR'S GUARANTY FUND

BISMARCK, N. DAK.

FROM

NOVEMBER 1, 1924

TO

NOVEMBER 30, 1926

O. B. LUND

AUDITOR AND ACCOUNTANT

BISMARCK NORTH DAKOTA

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A. G. Sorlie, Governor,
C. R. Green, Manager Bank of N. Dak.,
A. W. Engel,
S. G. Severtson,
H. A. Fisher,
Members Depositor's Guaranty Fund Commission,
Gilbert Semingson, Secretary,
Bismarck, N. Dak.

Gentlemen:

Pursuant to engagement, I have made an audit of the books, records and vouchers of the Depositor's Guaranty Fund of the State of North Dakota at Bismarck, N. Dak., for the period beginning November 1st. 1924 and ending November 30, 1926, and I hereby certify, that in my opinion, the following statements and schedules reflect the true cash transactions during the period, and the financial condition of the Department as at close of business November 30, 1926.

On page 9 we present Balance Sheet of November 30, 1926 followed by statement of disbursements and receipts for the period, with detail and page number noted opposite each item for convenient reference to supporting details.

The Department keeps its records on a cash basis and we have set up our statements in the same manner, and have not taken into account accrued items, which, with the exception of liability to the depositors, are small.

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Due to the many elements entering into the completion of the depositors claims against the Guaranty Fund, it is impossible to determine the accurate liability of the Guaranty Fund to depositors of banks that have closed to date. Before this liability is set up, the Receiver must wind up the affairs of the bank, and make the final distribution of the receivership. All depositors claims must be properly filed, and all finally passed upon to determine whether or not they come under the Act. The liability to the depositors has not been fully determined at this time on any bank on which the general 10% dividend payment has been authorized and any attempt we might make to determine the time required to take up all the claims that might come under the Act could not be substantiated.

On the basis of information available at this time on the first one hundred fifteen banks on which a depositors dividend of 10% has been authorized, it appears that fifty percent of the deposits have been admitted as guaranteed, and ten percent are in dispute pending decisions of referee and the courts. The officers of the Department estimate that a larger percentage of the later closed banks will come under the Act. Assuming that fifty-five percent of all deposits in banks closed to date are a claim on the Depositor's Guaranty Fund, it would be safe to say that it will require over ninety years to pay off this liability on the basis of the present net income to the fund.

The oath of office and bond of the Commission and its officers were found on file as provided by Section 2 of the Guaranty of Deposits Act, with the exception of the Manager of the Bank of North Dakota who does not appear to have qualified as provided by the Guaranty of Deposits Act.

The State Examiner is the appointed and acting secretary of the Commission, as statute provides may be done. The affairs of the Depositor's Guaranty Fund Commission and the State Examiner's Department are closely associated in many ways, and this arrangement is of considerable advantage to both departments in working out their problems in connection with insolvent banks.

The records of proceedings of the Commission were found to be very explicit, covering every detail of the Commission's operations, and were recorded to date in a neat and orderly manner.

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We experienced no difficulty in our verification of the financial accounts of the Departments. We found all funds coming into the hands of the Department properly accounted for, and, with the exception of a few clerical errors, not of sufficient importance to be worthy of mention, and which were taken up for correction during our examination, we consider the records well kept in all branches of the Commission.

The officers and employees of the Depositor's Guaranty Fund Commission and the State Examiner's Department afforded us every facility and assistance in the progress of our examination, for which we wish to acknowledge our appreciation.

Respectfully submitted,

PUBLIC AUDITOR AND ACCOUNTANT.

Bismarck, N. Dak.,
Dec. 27, 1926.

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REVIEW OF STATEMENTS AND EXAMINATION

REFERENCE PAGE NO.	DETAIL NO.	
11	A	DUE FROM BANK OF NORTH DAKOTA $220,937.13

The Bank of North Dakota is used for gathering and disbursing the assessment funds that have been assessed and credited by the banks over the state, as set aside for payment to depositors, and other expenditures of the Department. This represents such funds deposited with the Bank of North Dakota at date of audit.

In addition to this the bank carried a special collection account to the credit of the fund of $11,146.48, derived from net proceeds of collections on collateral held to secure the Special Deposits of the Williams County State Bank, this had not been recorded in the books of the Commission at date of audit. In our statements we have charged the Bank of North Dakota with this account and credited the special deposits of the Williams County State Bank of Williston. This item was taken into account in the department records during our examination.

18	B	DUE FROM OPEN STATE BANKS ON ASSESSMENTS $247,934.62

As assessments are levied on the banks coming under the Depositor's Guaranty Act, the amount is credited to the fund on the bank's records, subject to withdrawal on demand by the Depositor's Guaranty Fund Commission. This represents the amount of assessment in the hands of the banks over the State at date of audit. Verification of the accounts was made by us by correspondence and found to agree with the records of the Department with the exception of items noted on detail as listed beginning on page 18. The differences in accounts were taken up with the banks by the Department officers during our examination.

29	C	DUE FROM CLOSED BANKS ON ASSESSMENT ACCOUNTS $52,800.43

This represents the amount of assessments standing to the credit of the Depositor's Guaranty Fund in insolvent banks at time of closing, and additional assessments not levied at date of closing that had not been paid by the receiver. A schedule in detail of the balances due the Depositor's Guaranty Fund was submitted to the Receiver of Closed Banks and his records were found to be in harmony with the records of the Commission on these items.

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REVIEW OF STATEMENTS AND EXAMINATION-CONTINUED

REFERENCE PAGE NO.	DETAIL NO.	

Section 16 of the Guaranty of Deposits Act provides that the amount of money standing to the credit of the Depositor's Guaranty Fund on deposit in closed banks shall be a first lien upon the assets of such institution. These credits are being paid by the Receiver of Closed Banks as fast as he has funds available and it is considered that they will all eventually be paid into the fund.

31 D SPECIAL DEPOSITS WITH CLOSED BANKS $72,339.74

Prior to period covered by this audit the Commission made special deposits from Depositor's Guaranty Funds with banks that were pressed for cash. This practice has been discontinued and no such special deposits made during this audit period.

Banks that have not returned such deposits have closed. On page 31 we list the balances due and unpaid from each such bank. Some of these deposits are secured by collateral which is out for collection. A large part of this collateral is considered of questionable value and was not examined by us. A list of special deposits due from closed banks as carried on the books of the Department was submitted to the Receiver of Closed Banks and his records were found to agree with the Commission accounts. This class of deposits is considered as preferred credits and first lien on the assets of the closed institutions. It is estimated the Guaranty Fund may sustain a small loss on some of these deposits.

The Receiver of Closed Banks Department informed us he had funds on hand to be applied on these deposits. He informed us he had funds on hand to take up the account of the Clyde State Bank in full, which would be paid into the Depositor's Guaranty Fund within a few days.

32 E ACCOUNTS RECEIVABLE (CLAIM ACCOUNTS) $340.07

This represents legal expenses paid by the Commission in connection with the interests of the Guaranty Fund in recovery of collateral pledged by banks that have closed. This expense is charged to the closed banks on the books of the Commission and paid from the assets of said bank by the receiver.

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REVIEW OF STATEMENTS AND EXAMINATION-CONTINUED

REFERENCE PAGE NO.	DETAIL NO.	
33	F	3% ASSESSMENT ACCOUNTS UNSETTLED $5,850.00

four

This represents three percent of the capital stock of newly organized banks paid into the Guaranty Fund as provided by Section 14 of the Guaranty of Deposits Act, that had not been adjusted at date of audit. This is carried as a credit to the banks on the Commission's records and treated so in our statements until finally settled by the Commission.

G DUE FIRST STATE BANK OF AMIDON $3.30

This represents a small balance due the First State Bank of Amidon on assessments and is due the receiver on overpayment.

34 H UNDISTRIBUTED SPECIAL DIVIDENDS FROM RECEIVER $8,114.34

When the Receiver of Closed Banks distributes a dividend from the liquidation of an insolvent institution in his charge, he pays over to the Depositor's Guaranty Commission the portion going to depositors that have had surrendered their Receivers Certificates of Proof of Claim to be converted into Certificates of Indebtedness of the Depositors Guaranty Fund. The Depositor's Guaranty Fund Commission make the distribution of the dividend turned over to them by the receiver, to the depositor. In this way the Commission has a record of all payments to the depositors after they have taken the account over.

This represents dividends from the receivership in the process of distribution to the depositors from proceeds of the assets of banks listed on page 34 of this report.

I DEPOSITOR'S GUARANTY FUND ACCOUNT $592,768.44

This item represents the balance in the fund available for distribution to depositors as the same appeared Nov. 30, 1926

The payment of a ten percent dividend has been authorized by the Commission on the first one hundred twenty-five banks closed that stand unpaid.

Ten percent dividend has been paid the depositors on the disputed claims that have been properly presented on the first one hundred fifteen of these banks. There are claims aggregating approximately four million dollars

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REVIEW OF STATEMENTS AND EXAMINATION-CONTINUED

REFERENCE PAGE NO.	REFERENCE DETAIL NO.	

in these banks that has not been presented for payment or that are held up by the Commission pending hearing before the referee and in litigation in the courts. This ties up four hundred thousand dollars of the fund pending proper presentation of claims and the outcome of decisions.

Payment of the ten percent dividend on the remaining ten banks authorized is being executed as fast as the office force can do the work.

J DEPOSITOR'S GUARANTY FUND BAL. NOV.1,1924-$1,002,976.16

This item represents the Depositor's Guaranty Fund net worth as the same appears on the books of the Department at beginning of business Nov. 1, 1924, and is the figure used as the starting point for our audit for the period covered.

This figure agrees with the audit of the previous period with the exception that the 3% assessment on the date of their audit, Oct. 31, 1924, was considered as an earning and we are considering same unearned until the account has been adjusted and settled;;and small adjustments amounting to $9.38.

The difference between book figures and figures of previous audit report are made up as follows:

Depositors Guaranty Fund as per Department Records	1,002,976.16
Undistributed 3% Assess. Account	4,800.00
Misc. Changes in Prior Audit	9.38
Amount shown by previous audit report	1,007,785.54

35 K BANK ASSESSMENTS LEVIED $405,648.58

This item represents the proceeds of assessments on banks as provided by Section 10 of Guaranty of Deposits Acts. This law authorizes a levy of one regular and four additional assessments each year of one-twentieth of one percent each on the average daily deposits of the bank. The maximum levy authorized by law has been assessed for the full period.

We verified the assessments by correspondence with the banks and found them to agree from all banks heard from.

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REFERENCE PAGE NO.	DETAIL NO.	

The assessments were compared with the verified statements filed by the banks and found to be properly computed and levied from the information the banks had furnished.

36 L **INTEREST RECEIVED $15,448.23**

This represents the amount of interest collected by the department for the period covered by this audit from funds deposited in the Bank of North Dakota, the Capital Security Bank of Bismarck, and Special Deposits in State banks.

37 M **EXAMINATION FEES COLLECTED $4,426.74**

This item represents examination fees and expense refunds collected by the Commission as provided by Section 5 and 6 of the Guaranty of Deposits Act for the period covered.

N **ASSIGNMENT FEES COLLECTED $1,801.00**

A fee of one dollar is charged and collected from the depositer for the recording of each assignment of claim transferred on the records of the Commission.

A detail record has not been kept of the income from this source. It would simplify the auditing and proving of this income to install some system that would show the date and payor of each assignment fee collected.

O **FIRST STATE BANK OF JUD RECOVERY $97.16**

The creditors of the First State Bank of Jud were paid in full during the year 1920 from the Depositor's Guaranty Fund. On March 10, 1926 the Commission received the above amount from the receiver of the Jud State Bank as recovery from assets of the bank, which is turned into the Depositor's Guaranty Fund.

39 P **OPERATING EXPENSE FROM GUARANTY FUND $45,942.51**

The administrative expenses of the Depositor's Guaranty Fund Commission are provided in part by legislative appropriation from the State General Fund, and part from the Depositors Guaranty Fund as provided by Section 34 of the Act, appropriating $20,000.00 per year or as much thereof as is necessary from the Depositors Guaranty Fund to meet the expense of the Commission.

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REVIEW OF STATEMENTS AND EXAMINATION-CONTINUED

REFERENCE PAGE NO.	DETAIL NO.	

In July 1925 and 1926, $20,000.00 was transferred to the State Treasurer from the funds in the hands of the Commission for each years expense and expenses of the department are paid by the State Auditors Warrant as other claims against the state are paid. Prior to July 1, 1925 expenses from the fund were paid by the Secretary of the Commission on vouchers approved by the State Auditing Board.

Expenditures from both funds were compared with the amount allowed by law and found to be well within the alloted appropriations as will be shown by details beginning on page ~~39.~~

Due to the preliminary costs of investigations, hearings, and preparation of claims required in determineing whether or not they come under the Depositors Guaranty Act, the expense of the Department has been high when compared with the income for the period. After the first dividend to the depositors has been made the cost of making additional payments should be comparatively small.

45 Q **10% GENERAL DIVIDEND PAID DEPOSITORS $791,686.92**

This represents the amount of a general ten percent dividend payment to depositors that come within the Act from the Depositors Guaranty Fund, covering the first one hundred fifteen banks closed.

All original approved claims on which payment had been made, numbering about twenty-two thousand, were examined by us and found to agree with the amount paid, excepting a few small clerical errors that were corrected by the Department during our examination.

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DEPOSITOR'S GUARANTY FUND

BALANCE SHEET

NOVEMBER 30, 1926

REFERENCE PAGE NO.	REFERENCE DETAIL NO.		ASSETS	LIABILITIES
11	A	Due from Bank of North Dakota:		
		Open Account - - - - - - - - - - - - - - - 209,790.65		
		Special Collateral Account - - - - - - 11,146.48	220,937.13	
18	B	Due from Open State Banks on Assessment Accounts- - -	247,934.62	
29	C	Due from Closed Banks on Assessment Accounts- - - - -	52,800.43	
31	D	Special Deposits in Closed Banks- - - - - - - - - - -	72,339.74	
32	E	Accounts Receivable (Claim Accounts)- - - - - - - - -	340.07	
39	F	In Hands of State Treasurer(Expense Account)- - - - -	12,384.09	
33	F	3% Assessment Accounts Unsettled- - - - - - - - - - -		5,850.00
	G	Due First State Bank of Amidon on Assessments - - - -		3.30
34	H	Undistributed Special Dividend from Receiver of Closed Banks - - - - - - - - - - -		8,114.34
	I	Depositor's Guaranty Fund Account - - - - - - - - - -		592,768.44
			606,736.08	606,736.08

592,768.44
12,384.09
580,384.35

596,384.44
580,384.35
15,999.89

15,999.89
11,146.48
4,853.41

596,384.44
592,768.44
3,615.80
1,853.80

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DEPOSITOR'S GUARANTY FUND

STATEMENT OF DISBURSMENTS AND RECEIPTS

NOV. 1, 1924 TO NOV. 30, 1926

REFERENCE FOR DETAIL NO.	NO.		PAYMENTS AND BALANCE	BALANCE AND COLLECTIONS
	J	Depositors Guaranty Fund Balance Nov. 1, 1924 - - - -		1,002,976.16
		Income Nov. 1, 1924 to Nov. 30, 1926:		
35	K	Bank Assessments Levied- - - - - - - - - - - - - - -		405,648.58
36	L	Interest Received- - - - - - - - - - - - - - - - - -		15,448.23
37	M	Examination Fees Collected - - - - - - - - - - - -		4,426.74
	N	Assignment Feew Collected- - - - - - - - - - - - -		1,801.00
	O	First State Bank of Jud Recovery - - - - - - - - -		97.16
		Operating Expense Nov. 1, 1924 to Nov. 30, 1926 Transferred to State Treasurer and Paid Direct from Fund:		
39	P	Operating Expense Transferred- - - - 58,326.60		
		Less: Amount Unexpended- - - - - - - 12,384.09	45,942.51	
45	Q	10% Genreal Dividend Paid Depositors - - - - - -	-791,686.92	
	I	Depositors Guaranty Fund Balance Nov.30,1926 -	-592,768.44	
			1,430,397.87	1,430,397.87

1,002,976.16
+427,421.71

1,464,195
791,686.92
672,508.08

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DETAIL "A"

DEPOSITOR'S GUARANTY FUND

RECONCILEMENT OF OPEN ACCOUNT

NOVEMBER 30th 1926

BANK OF NORTH DAKOTA

Balance per Statement Bank of North Dakota		246,486.85
Remittance for November 30th not Credited		114.90
Balance Shown on Guaranty Fund Records	209,790.65	
Checks Outstanding	36,811.10	
	246,601.75	246,601.75

CHECKS OUTSTANDING

NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
763	10.00	5100	10.00	7853	10.00
1094	10.00	5256	9.00	7959	9.48
1304	1.41	5314	9.79	7968	.10
1897	18.00	5500	10.00	7977	10.38
2062	10.00	5503	10.00	8008	.19
2396	10.00	5507	43.00	8502	10.00
2654	8.78	5753	10.00	8511	10.00
2690	4.97	5764	5.35	8513	10.00
2779	10.00	5779	5.56	8598	6.58
3067	10.00	5781	5.22	8682	18.00
3298	113.00	5839	10.57	8683	10.00
3681	12.00	5847	6.20	8779	10.00
4154	1.55	5849	11.30	9093	10.00
4174	5.24	5850	6.83	9111	45.00
4433	15.00	5854	2,64	9148	5.66
4486	57.00	6097	10.00	9155	3.91
4493	7.17	6167	15.04	9224	10.00
4508	6.36	6679	.66	9482	.86
4556	3.95	6989	10.00	9579	18.00
4846	10.00	7036	10.00	9603	10.00
4875	4.51	7200	18.00	9604	10.00
4851	31.00	7206	10.00	9643	10.00
4852	10.00	7474	10.00	9701	25.00
4909	1.06	7481	10.00	9889	24.00
5092	25.00	7521	10.00	9302	11.00

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CHECKS OUTSTANDING-CONTINUED

NUMBER	AMOUNT
10064	21.00
10132	10.00
10178	22.00
10187	20.00
10215	.18
10305	10.00
10422	92.00
10477	10.00
10527	25.00
10631	10.00
10930	175.00
11341	11.00
11378	106.00
11484	13.00
11594	14.00
11659	36.00
11697	10.00
11791	127.00
11823	1.69
11894	10.00
12088	10.00
12129	10.48
12155	10.00
12303	10.00
12520	157.00
12727	22.00
12791	8.90
12811	.05
12970	24.00
13057	28.00
13174	10.00
13223	3.62
13337	10.00
13369	10.00
13539	10.00
13554	23.00
13817	.15
13884	23.00
13892	15.00
13893	10.00
13976	10.00
14060	10.00
14080	47.00
14120	5.94
14199	.32

NUMBER	AMOUNT
14232	5.43
14251	21.00
14336	10.00
14412	65.00
14508	11.00
14621	10.00
14689	27.00
14692	23.00
14740	10.00
14856	10.00
14881	48.00
14883	10.00
14926	12.00
14949	12.00
15020	10.00
15045	.98
15050	10.00
15131	3.74
15272	21.00
15334	10.00
15335	108.00
15369	8.47
15440	17.00
15772	10.00
15781	24.00
16062	31.99
16272	2.74
16352	10.60
16353	10.60
16359	4.45
16434	10.00
16617	3.32
16631	1.67
16650	10.00
17053	16.00
17179	72.00
17258	31.31
17296	7.84
17297	1.29
17300	4.06
17302	7.81
17322	10.00
17325	10.00
17326	10.00
17338	16.00

NUMBER	AMOUNT
17339	10.00
17340	10.00
17342	10.00
17343	10.00
17344	54.00
17345	10.00
17347	10.00
17350	10.00
17548	12.00
17558	10.00
17564	10.00
17568	10.00
17569	10.00
17570	10.00
17609	10.00
17626	33.00
17627	71.00
17649	10.00
17651	12.00
17655	10.00
17701	23.00
17768	50.00
17769	28.00
17771	10.00
17813	42.00
17930	14.00
17950	3.80
17985	10.00
18081	46.00
18262	858.00
18266	21.00
18295	2.23
18311	2.01
18378	10.00
18379	10.00
18390	10.00
18543	10.00
18617	6.09
18694	6.52
18703	1.13
18803	3.31
18817	10.00
18854	10.00
18916	4.58
18983	127.00

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CHECKS OUTSTANDING-CONTINUED

NUMBER	AMOUNT
19002	10.00
19032	10.00
19035	39.00
19044	.75
19065	15.00
19066	10.00
19069	19.00
19074	16.00
19082	222.00
19088	10.00
19094	10.00
19152	15.00
19172	532.00
19224	103.00
19300	34.00
19313	21.00
19351	34.00
19352	1.51
19362	2.32
19380	10.00
19383	232.00
19411	10.00
19461	10.00
19595	10.00
19614	11.69
19631	2.16
19653	10.00
19689	10.00
19743	10.00
19772	10.00
19789	19.00
19808	40.00
19831	10.00
19845	10.00
19846	10.00
19852	3.85
19855	1.05
19857	.84
19862	6.84
19866	8.68
19873	10.00
19883	33.00
19885	10.00
19909	10.00
19917	13.00

NUMBER	AMOUNT
19920	35.00
19936	10.00
19942	254.00
19947	68.00
19949	10.00
19951	10.00
19952	10.00
19955	2.12
19958	7.41
19965	2.78
19968	8.02
20007	101.00
20008	10.00
20010	10.00
20032	20.00
20039	11.00
20055	10.00
20058	248.00
20065	34.00
20074	2.00
20079	.17
20081	8.97
20099	29.00
20104	1,946.00
20113	13.00
20115	40.00
20126	10.00
20164	10.00
20196	10.00
20197	10.00
20198	10.00
20210	10.00
20212	71.00
20213	37.00
20217	10.00
20219	10.00
20220	3.27
20221	2.56
20224	5.40
20232	3.18
20233	7.42
20241	9.80
20243	1.16
20244	2.81
20250	5.32

NUMBER	AMOUNT
20252	1.90
20256	7.71
20260	4.53
20268	10.00
20270	10.00
20274	40.00
20275	69.00
20278	30.00
20280	15.00
20334	70.30
20337	8.82
20338	8.82
20353	588.00
20373	10.00
20377	491.00
20380	1.00
20381	10.00
20382	10.14
20383	10.14
20386	8.09
20393	39.00
20397	10.00
20399	10.00
20402	10.00
20404	10.00
20406	19.00
20409	13.00
20411	10.00
20418	12.00
20419	10.00
20431	24.00
20444	25.00
20461	1.00
20462	15.00
20464	10.00
20468	10.66
20469	7.53
20473	2.43
20477	6.89
20493	10.00
20495	11.00
20498	10.00
20502	72.00
20512	22.00
20513	13.00

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CHECKS OUTSTANDING-CONTINUED

NUMBER	AMOUNT
20514	211.00
20517	19.00
20519	125.00
20520	554.00
20524	11.00
20528	10.00
20530	10.00
20531	10.00
20532	10.00
20534	10.00
20535	10.00
20539	10.00
20541	10.00
20543	10.00
20549	10.00
20559	201.00
20563	11.00
20564	77.00
20565	59.00
20566	29.00
20567	83.00
20569	10.00
20570	66.00
20571	16.00
20572	22.00
20576	64.00
20579	10.00
20588	10.00
20590	10.00
20598	10.00
20599	10.00
20600	10.00
20602	48.00
20603	25.00
20604	10.00
20607	1.00
20614	311.00
20615	363.00
20616	10.00
20617	10.00
20618	10.00
20619	107.00
20620	166.00
20621	17.00
20623	2.68
20626	5.12
20628	1.00
20633	8.37
20634	10.40
20635	9.86
20636	2.67
20637	2.77
20638	9.61
20639	11.76
20644	3.16
20645	5.04
20653	11.84
20654	2.94
20656	.29
20657	602.00
20658	20.00
20659	10.00
20660	10.00
20661	35.00
20663	31.00
20665	42.00
20664	13.00
20665	22.00
20666	10.00
20667	10.00
20668	16.00
20669	10.00
20670	309.00
20671	16.00
20672	15.00
20673	10.00
20674	35.00
20675	33.00
20676	10.00
20677	10.00
20678	13.00
20679	21.00
20680	19.00
20681	10.00
20682	10.00
20683	10.00
20684	10.00
20685	11.00
20686	649.00
20687	58.00
20688	10.00
20689	10.00
20690	20.00
20691	277.00
20692	184.00
20693	33.00
20694	47.00
20695	116.00
20696	191.00
20697	81.00
20698	40.00
20699	26.00
20700	68.00
20701	83.00
20702	186.00
20703	26.00
20704	29.00
20705	23.00
20706	141.00
20707	93.00
20708	10.00
20709	10.00
20710	10.00
20711	10.00
20712	10.00
20713	10.00
20714	10.00
20715	10.00
20716	41.00
20717	35.00
20718	27.00
20719	10.00
20720	91.00
20721	18.00
20722	268.00
20723	11.00
20724	13.00
20725	11.00
20726	26.00
20727	24.00
20728	28.00
20729	12.00
20730	110.00
20731	148.00
20732	47.00

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CHECKS OUTSTANDING-CONTINUED

NUMBER	AMOUNT
20733	10.00
20734	10.00
20735	10.00
20736	10.00
20737	10.00
20738	10.00
20739	10.00
20740	11.00
20741	100.00
20742	65.00
20743	16.00
20744	15.00
20745	31.00
20746	10.00
20747	11.00
20748	159.00
20749	106.00
20750	18.00
20751	10.00
20752	10.00
20753	10.00
20754	10.00
20755	10.00
20756	10.00
20757	10.00
20758	10.00
20759	10.00
20760	10.00
20761	10.00
20762	10.00
20763	146.00
20764	49.00
20765	11.00
20766	10.00
20767	10.00
20768	1,269.00
20769	10.00
20770	10.00
20771	10.00
20772	4.93
20773	6.76
20774	5.26
20775	2.00
20776	3.61
20777	11.00
20778	6.51
20779	7.65
20780	9.51
20781	3.46
20782	8.00
20783	3.27
20784	4.27
20785	5.97
20786	7.41
20787	7.43
20788	2.60
20789	2.50
20790	2.88
20791	3.66
20792	11.53
20793	7.95
20794	11.89
20795	11.06
20796	.09
20797	5.11
20799	1.88
20800	73.00
20801	10.00
20802	10.00
20803	10.00
20804	10.00
20805	10.00
20806	64.00
20807	10.00
20808	10.00
20809	10.00
20810	18.00
20811	10.00
20812	10.00
20813	10.00
20814	10.00
20815	34.00
20816	157.00
20817	57.00
20818	101.00
20819	116.00
20820	10.00
20821	10.00
20822	10.00
20823	10.00
20824	10.00
20825	10.00
20826	10.00
20827	10.00
20828	41.00
20829	22.00
20830	16.00
20831	10.00
20832	10.00
20833	10.00
20834	10.00
20835	59.00
20836	27.00
20837	61.00
20838	12.00
20839	93.00
20840	36.00
20841	20.00
20842	15.00
20843	286.00
20844	10.00
20845	10.00
20846	10.00
20847	10.00
20848	10.00
20849	10.00
20850	10.00
20851	28.00
20852	16.00
20853	27.00
20854	31.00
20855	13.00
20856	10.00
20857	10.00
20858	10.00
20859	25.00
20860	30.00
20861	600.00
20862	15.00
20863	38.00
20864	10.00
20865	10.00
20866	10.00
20867	10.00
20868	10.00

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CHECKS OUTSTANDING-CONTINUED

NUMBER	AMOUNT
20869	10.00
20870	10.00
20871	10.00
20872	10.00
20873	53.00
20874	1.00
20875	33.00
20876	1.00
20877	10.00
20878	30.00
20879	1.00
20880	18.00
20881	1.00
20882	10.00
20883	10.00
20884	10.00
20885	14.00
20886	10.00
20887	2.85
20888	7.83
20889	7.51
20890	10.43
20891	9.08
20892	.22
20893	3.14
20894	3.09
20895	8.93
20896	8.93
20897	8.13
20898	9.60
20899	10.35
20900	1.51
20901	.44
20902	2.05
20903	7.27
20904	5.00
20905	10.93
20906	8.63
20907	6.24
20908	10.44
20909	1.35
20910	308.00
20911	47.00
20912	46.80
20913	14.00
20914	1,060.00
20915	208.00
20916	492.00
20917	141.00
20918	141.00
20919	30.00
20920	55.00
20921	10.00
20922	10.00
20923	179.00
20924	10.00
20925	10.00
20926	103.00
20927	282.00
20928	127.00
20929	39.00
20930	62.00
20931	10.00
20932	10.00
20933	25.00
20934	59.00
20935	114.00
20936	25.00
20937	99.00
20938	231.00
20939	22.00
20940	73.00
20941	73.00
20942	23.00
20943	69.00
20944	11.00
20945	10.00
20946	12.00
20947	211.00
20948	10.00
20949	10.00
20950	10.00
20951	35.00
20952	19.00
20953	390.00
20954	10.00
20955	10.00
20956	10.00
20957	10.00
20958	10.00
20959	10.00
20960	230.00
20961	1.00
20962	10.00
20963	10.00
20964	2.89
20965	10.00
20966	122.00
20967	10.00
20968	10.00
20969	1.07
20970	9.30
20971	.76
20972	5.00
20973	5.74
20974	11.03
20975	1.69
20976	6.16
20977	5.00
20978	10.00
20979	.46
20980	5.48
20981	6.45
20982	5.23
20983	8.77
20984	5.23
20985	5.23
20986	2.61
20987	4.19
20988	1.82
20989	620.00
20990	10.00
20991	53.00
20992	1,946.00
20993	106.00
20994	10.00
20995	10.00
20996	14.00
20997	24.00
20998	14.00
20999	11.00
21000	10.00
21001	143.00
21002	10.00
21003	10.00

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CHECKS OUTSTANDING-CONTINUED

NUMBER	AMOUNT
21004	32.00
21005	10.00
21006	228.00
21007	97.00
21008	10.00
21009	221.00
21010	52.00
21011	21.00
21012	71.00
21013	71.00
21014	26.00
21015	131.00
21016	137.00
21017	15.00
21018	62.00
21019	11.00
21020	12.00
21021	188.00
21022	10.00
21023	20.00
21024	34.00
21025	12.00
21026	77.00
21027	14.00
21028	18.00
21029	22.00
21030	30.00
21031	10.00
21032	10.00
21033	10.00
21034	10.00
21035	10.00
21036	10.00
21037	10.00
21038	10.00
21039	10.00
21040	10.00
21041	10.00
21042	10.00
21043	10.00
21044	17.00
21045	20.00
21046	11.00
21047	10.00
21048	10.00
21049	10.00
21050	10.00
21051	10.00
21052	10.00
21053	10.00
21054	10.00
21055	10.00
21056	10.00
21057	10.00
21058	728.00
21059	9.00
21060	1.00
21061	42.00
21062	51.00
21063	48.00
21064	10.00
21065	10.00
21066	10.00
21067	10.00
21068	3.60
21069	3.65
21070	6.15
21071	3.60
21072	8.93
21073	1.45
21074	4.35
21075	9.25
21076	3.15
21077	2.44
21078	7.53
21079	10.83
21080	4.10
21081	6.58
21082	4.05
21083	3.45
21084	8.70
21085	4.00
21086	10.00
21087	301.00
21088	51.00
21089	551.00
21090	30.00
21091	11.00
21092	13.00
21093	21.00
21094	10.00
21095	22.00
21096	13.00
21097	10.00
21098	15.00
21099	10.00
21100	10.00
21101	17.00
21102	16.00
21103	58.00
21104	10.00
21105	10.00
21106	10.00
21107	10.00
21108	46.00
21109	10.00
21110	10.00
21111	11.62
21112	5.15
21113	8.61
21114	2.07
21115	2.80
21116	5.56
21117	5.36
21118	5.42
21119	2.50
21120	8.98

TOTAL CHECKS OUTSTANDING 36,811.10

18,920 81 Out Nov 30-1928

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DETAIL "B"

DEPOSITORS GUARANTY FUND

DUE FROM OPEN STATE BANKS ON ASSESSMENT ACCOUNTS

NAME OF BANK	ADDRESS	DUE FROM STATE BANKS ON ASSESSMENTS	
State Bank of Abercrombie	Abercrombie	799.86	1st. additional assess. 1926 not on bank books.
Security State Bank	Adams	1,281.51	
First State Bank	Alamo	879.94	Bk of Abercrombie 340.03
First State Bank	Alfred	493.68	
State Bank of Alice	Alice	442.56	
Farmers State Bank	Almont	489.64	
Farmers State Bank	Alsen	248.84	
Citizens State Bank	Ambrose	335.66	
Farmers State Bank	Ambrose	82.13	
Amenia State Bank	Amenia	262.47	
Farmers State Bank	Anamoose	520.45	1st. additional assess. 1926 not on bank books
Peoples State Bank	Aneta	436.45	
Union Bank of Antler	Antler	511.30	
Appam State Bank	Appam	386.19	
State Bank of Ardock	Ardock	368.54	
Arena State Bank	Arena	89.50	$6.76 short on bank books prior to our audit.
Argusville State Bank	Argusville	436.86	
Farmers State Bank	Arnegard	550.04	
First State Bank	Arthur	468.19	
Arvilla State Bank	Arvilla	546.75	1st. additional assess. 1926 not on bank books.
Ashley State Bank	Ashley	1,945.18	
First State Bank	Ashley	*1,211.44	
Farmers State Bank	Baldwin	283.83	
Pierce County Bank	Balta	196.33	
Union Bank of Bantry	Bantry	243.53	
Bank of Barney	Barney	394.51	
Bartlette State Bank	Bartlette	296.51	
First State Bank	Barton	404.77	
Farmers State Bank	Battleview	268.73	
Farmers & Merchants Bank	Beach	960.19	
Citizens State Bank	Belfield	357.42	
Farmers State Bank	Bentley	368.41	
Farmers&Merchants Bank	Berlin	379.60	
Bank of Berthold	Berthold	607.39	
Berwick State Bank	Berwick	336.08	
First State Bank	Beulah	769.05	Assess. #10 1926 is 30¢ short on bank books.
German State Bank	Beulah	499.01	
First State Bank	Binford	344.03	
First State Bank	Bisbee	297.85	
First Guaranty Bank	Bismarck	1,945.51	

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DUE FROM OPEN STATE BANKS ON ASSESSMENT ACCOUNTS-CONTINUED

NAME OF BANK	ADDRESS	DUE FROM STATE BANKS ON ASSESSMENTS	
Hlabon State Bank	Hlabon	278.14	
Bordulac State Bank	Bordulac	396.66	1st. additional assess. 1926 not on bank books.
Pioneer Bank	Bottineau	426.12	
Security State Bank	Bowdon	203.93	
Emmons County State Bank	Braddock	511.34	
Farmers State Bank	Braddock	274.67	
Farmers State Bank	Brampton	245.52	
State Bank of Bremen	Bremen	355.63	
Citizens State Bank	Brinsmade	*717.58	
First State Bank	Brisbane	304.00	
Farmers & Merchants Bank	Brocket	300.04	
State Bank of Brocket	Brocket	487.74	
Buchanan State Bank	Buchanan	363.59	
Bucyrus State Bank	Bucyrus	465.09	
First State Bank	Buford	367.40	Bank disputes amount of assessment charges.
First State Bank	Burlington	402.64	
First State Bank	Burnstad	398.32	
Burt State Bank	Burt	306.57	
Farmers State Bank	Buxton	398.27	
First State Bank	Calvin	536.98	
Peoples Bank of Calvin	Calvin	510.92	
Foster County State Bank	Carrington	897.12	
Carson State Bank	Carson	434.81	
First State Bank	Carson	256.25	
Farmers State Bank	Cathay	568.93	
Pembina County Bank	Cavalier	288.96	
Citizens State Bank	Cayuga	128.09	
First State Bank	Center	567.54	
Farmers Security Bank	Chaffee	801.64	
Cleveland State Bank	Cleveland	425.36	
Clifford State Bank	Clifford	448.72	
Bank of Cogswell	Cogswell	125.29	
Farmers State Bank	Coleharbor	562.91	
Northwestern State Bank	Coleharbor	345.62	
First State Bank	Colfax	644.09	
Farmers State Bank	Colgan	229.97	
Colgate State Bank	Colgate	119.65	
Farmers State Bank	Columbus	976.00	
First State Bank	Columbus	348.24	
First State Bank	Concrete	91.11	
Bank of Conway	Conway	317.10	
Farmers & Merchants Bank	Cooperstown	716.26	
State Bank of Cooperstown	Cooperstown	711.09	
First State Bank	Corinth	340.03	

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DUE FROM OPEN STATE BANKS ON ASSESSMENT ACCOUNTS-CONTINUED

NAME OF BANK	ADDRESS	DUE FROM STATE BANKS ON ASSESSMENTS
First State Bank	Coteau	518.39
First & Security State Bank	Crosby	1,045.15
Cummings State Bank	Cummings	457.58
First State Bank	Dahlen	407.36
Farmers State Bank	Danzig	347.07
State Bank of Davenport	Davenport	773.98
Kidder County Bank	Dawson	286.37
Security Bank of Dazey	Dazey	430.46
Deering State Bank	Deering	589.59
DeLamere State Bank	DeLamere	749.25
First State Bank	Denhoff	363.84
State Bank of DesLacs	DesLacs	521.22
Farmers & Merchants Bank	Dickey	391.24
Farmers State Bank	Dickinson	723.42
Citizens State Bank	Douglas	305.33
Douglas State Bank	Douglas	635.49
Bank of Doyon	Doyon	266.32
Farmers State Bank	Drake	390.20
Citizens Bank of Drayton	Drayton	907.84
State Bank of Dresden	Dresden	415.92
Union Bank of Dunn Center	Dunn Center	500.18
Security State Bank	Dunseith	841.87
First State Bank	Dwight	196.86
Eckelson State Bank	Eckelson	355.03
State Bank of Edinburg	Edinburg	708.87
Security State Bank	Edmore	577.33
First State Bank	Edmunds	231.24
Eldridge State Bank	Eldridge	275.42
Elgin State Bank	Elgin	385.49
First State Bank	Elgin	326.55
Embden State Bank	Embden	328.29
Guaranty State Bank	Emerado	139.24
Citizens State Bank	Enderlin	1,531.72
Enderlin State Bank	Enderlin	1,215.42
Peoples Bank of Enderlin	Enderlin	385.76
Citizens State Bank	Epping	454.86
Farmers State Bank	Erie	386.93
Esmond State Bank	Esmond	380.50
First International Bank	Esmond	466.82
Farmers State Bank	Fairdale	548.29
Falkirk State Bank	Falkirk	442.08

4th additional assess. 1925 not on bank books.

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DUE FROM OPEN STATE BANKS ON ASSESSMENT ACCOUNTS-CONTINUED

NAME OF BANK	ADDRESS	DUE FROM STATE BANKS ON ASSESSMENTS	
Northern & Dakota Trust Co.	Fargo	1,633.58	Bank failed to add amount taken over with Arthur Bank. Bank does not show 1st. additional assess. 1926. Bank short $20.05 on 3rd. additional assess. 1925.
N.W.Mutual Savings & Loan	Fargo	—6,887.26	
Wells Co. State Bank	Fessenden	—780.80	
State Bank of Finley	Finley	573.91	
Flasher State Bank	Flasher	—761.63	
First Bank of Flaxton	Flaxton	597.21	
Flora State Bank	Flora	—301.74	
Forbes State Bank	Forbes	973.56	
Farmers & Merchants Bank	Fordville	1,047.85	
Forest River State Bank	Forest River	583.03	
Citizens State Bank	Fort Rice	302.88	
First International Bank	Fortuna	438.74	
First State Bank	Fort Yates	240.60	
Foxholm State Bank	Foxholm	376.44	
First State Bank	Fredonia	347.56	1st additional assess 1925 is short 20¢ on bank books.
German State Bank	Fredonia	538.07	
First State Bank	Fryburg	89.41	
Farmers State Bank	Fullerton	357.50	
State Bank of Gackle	Gackle	658.97	
Galchutt State Bank	Galchutt	—659.35	
Galesburg State Bank	Galesburg	702.43	
Gardar State Bank	Gardar	348.47	
State Bank of Gardner	Gardner	414.70	
First State Bank	Garrison	619.83	
Bank of Garske	Garske	789.85	
First State Bank	Gascoyne	390.59	
Farmers State Bank	Gladstone	148.65	
Gladstone State Bank	Gladstone	604.18	
Lincoln State Bank	Glenburn	602.00	
First State Bank	Glenfield	274.68	
Farmers State Bank	Glen Ullin	1,163.16	
Merchants State Bank	Glen Ullin	876.32	
Glover State Bank	Glover	364.68	
First State Bank	Golva	252.33	
Citizens State Bank	Goodrich	684.79	
Farmers & Merchants Bank	Grace City	—252.65	
First State Bank	Grace City	513.02	
Scandinavian American Bank	Grafton	1,360.78	
Northern State Bank	Grand Forks	2,823.84	

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DUE FROM OPEN STATE BANKS ON ASSESSMENT ACCOUNTS-CONTINUED

NAME OF BANK	ADDRESS	DUE FROM STATE BANKS ON ASSESSMENTS	
Northwestern Trust Co.	Grand Forks	486.82	
Guaranty State Bank	Grandin	578.87	
State Bank of Grand Rapids	Grand Rapids	272.33	
First State Bank	Granville	396.56	
Farmers State Bank	Great Bend	465.20	
N. W. State Bank	Gremora	284.23	
Guelph State Bank	Guelph	285.51	
Farmers State Bank	Gwinner	394.87	1st. additional assess. 1926 not on bank books.
Gurnner State Bank	Gurnner	717.86	
First State Bank	Hague	1,060.55	
Security State Bank	Halliday	435.55	
First State Bank	Hamar	190.24	1st. additional assess. 1926 not on bank books.
Farmers State Bank	Hamsey	524.70	
Bank of Hamilton	Hamilton	469.14	
Farmers & Merchants Bank	Hankinson	431.91	
State Bank of Hannah	Hannah	937.44	
Bank of Hansboro	Hansboro	*435.18	
Hartland State Bank	Hartland	194.82	
Farmers State Bank	Harvey	690.38	
State Guaranty Bank	Harvey	540.72	
Harwood State Bank	Harwood	404.26	
First State Bank	Hastings	605.20	
Farmers State Bank	Havana	313.94	
Havana State Bank	Havana	660.17	
Bank of Hazelton	Hazelton	823.14	
Farmers State Bank	Hazelton	782.59	
Union State Bank	Hazen	871.58	
Farmers State Bank	Heaton	426.05	
Merchants State Bank	Hebron	765.64	
Farmers State Bank	Heil	217.50	Bank took credit for a refund of $169.85 not on books of Commission.
State Bank of Heimdal	Heimdal	553.65	
Adams Co. State Bank	Hettinger	836.24	
Peoples State Bank	Hillsboro	1,392.22	
Honeyford State Bank	Honeyford	307.81	
Farmers State Bank	Hoople	490.19	
State Bank of Hoople	Hoople	1,085.82	
Burrell State Bank	Horace	467.74	1st additional assess. 1926 not on bank books.
Farmers & Merchants Bank	Hurdsfield	343.95	
Bank of Inkster	Inkster	986.64	

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DUE FROM OPEN STATE BANKS ON ASSESSMENT ACCOUNTS-CONTINUED

NAME OF BANK	ADDRESS	DUE FROM STATE BANKS ON ASSESSMENTS	
Security Savings Bank	Jamestown	911.09	
State Bank of Jessie	Jessie	354.46	
First State Bank	Juanita	274.70	
Citizens State Bank	Jud	450.00	
First State Bank	Judson	435.02	
Farmers State Bank	Kathryn	506.55	1st. additional assess. 1926 not on bank books.
Sheyenne Valley Bank	Kathryn	983.48	
First State Bank	Kempton	263.22	
Farmers & Merchants Bank	Kensal	436.85	
First State Bank	Kief	416.46	
Security State Bank	Killdeer	309.51	
Farmers & Merchants Bank	Kindred	1,755.09	
Kindred State Bank	Kindred	1,379.56	
Security State Bank	Kintyre	842.21	
First State Bank	Kloten	451.62	
Farmers State Bank	Knox	471.09	
Peoples State Bank	Knox	211.63	
Kongsberg State Bank	Kongsberg	121.04	
First State Bank	Kulm	900.20	
Farmers & Merchants Bank	Lakota	975.06	
LaMoure State Bank	LaMoure	504.28	
First International Bank	Landa	512.75	
N.W. Bank of Langdon	Langdon	427.01	
Citizens State Bank	Lankin	1,319.63	
Citizens State Bank	Lansford	584.71	
Elk Valley Bank	Larimore	708.02	
Security State Bank	Lawton	339.39	
Farmers State Bank	Leeds	*268.62	
Lefor State Bank	Lefor	251.24	
Farmers & Merchants Bank	Lehr	869.69	
State Bank of Lehr	Lehr	401.34	
Farmers State Bank	Leith	265.16	
Farmers Bank of Leonard	Leonard	921.52	1st. additional assess. 1926 not on bank books.
First State Bank	Lignite	603.89	
Lincoln Valley State Bank	Lincoln Valley	348.76	
Peoples State Bank	Linton	497.41	1st additional assess. 1926 not on bank books.
State Bank of Lisbon	Lisbon	1,686.92	
Farmers State Bank	Lisbon	452.96	
First State Bank	Loma	390.90	
Mountrail Co. State Bank	Lostwood	201.25	

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DUE FROM OPEN STATE BANKS ON ASSESSMENT ACCOUNTS-CONTINUED

NAME OF BANK	ADDRESS	DUE FROM STATE BANKS ON ASSESSMENTS	
First State Bank	Ludden	284.38	
Farmers State Bank	Lundsvalley	177.05	
Luverne State Bank	Luverne	660.12	
Pioneer State Bank	Luverne	276.67	
Farmers State Bank	Maddock	1,532.92	
Reservation State Bank	Makoti	656.03	
Farmers State Bank	Mandan	1,820.66	
Farmers & Merchants Bank	Manitou	119.06	
Farmers State Bank	Mantador	341.44	
Mapelton State Bank	Mapelton	333.45	1st. additional assess. 1926 not on bank books.
Marion State Bank	Marion	690.85	
Martin State Bank	Martin	483.80	
First State Bank	Max	549.91	
Maxbass Security Bank	Maxbass	*231.93	
Goose River Bank	Mayville	2,294.81	
Maza State Bank	Maza	126.86	
Bank of McCanna	McCanna	316.54	
Sheridan Co. State Bank	McClusky	*466.33	
McGregor State Bank	McGregor	404.39	
Farmers & Merchants Bank	McHenry	322.00	
Security State Bank	Medina	497.99	
Stockmens State Bank	Medora	338.52	
Mekinock State Bank	Mekinock	339.06	
Bank of Melville	Melville	207.68	
First State Bank	Mercer	310.39	1st. additional assess. 1926 not on bank books.
First State Bank	Merricourt	289.39	
Merder State Bank	Mercer	322.43	
Millarton State Bank	Millarton	189.34	
Minnewaukon State Bank	Minnewaukon	369.16	
Citizens Bank of Minot	Minot	946.18	
First International Bank	Minot	*769.42	
Bank of Minto	Minto	1,068.11	
First State Bank	Minto	471.42	
Moffit State Bank	Moffit	325.22	
Citizens State Bank	Mohall	214.39	
Renville County Bank	Mohall	497.56	
Bank of Monango	Monango	446.29	
Montpelier State Bank	Montpelier	321.83	
Farmers State Bank	Mooreton	241.46	
State Guaranty Bank	Mott	814.68	
First State Bank	Mylo	373.10	
Farmers & Merchants Bank	New England	751.00	

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DUE FROM OPEN STATE BANKS ON ASSESSMENT ACCOUNTS-CONTINUED

NAME OF BANK	ADDRESS	DUE FROM STATE BANKS ON ASSESSMENTS	
First State Bank	New Leipzig	460.67	
Farmers State Bank	New Rockford	291.14	
Farmers & Merchants Bank	New Salem	1,156.01	1st. additional assess. 1926 not on bank books. Assess. #10 is not on bank books.
First State Bank	New Salem	-1,663.08	
Bank of Niagara	Niagara	545.13	
Security State Bank	Niagara	451.82	
Farmers & Merchants Bank	Niobe	352.74	
Nome State Bank	Nome	530.00	
First International Bank	Noonan	-833.87	
Security State Bank	Noonan	-998.36	
Norma State Bank	Norma	478.11	1st additional assess. 1926 not on bank books.
First State Bank	Northgate	400.47	
Bank of Oberon	Oberon	581.69	
Farmers State Bank	Orrin	178.38	
Security State Bank	Overly	200.57	
Farmers State Bank	Page	409.51	
Scandinavian American Bank	Palermo	-294.05	
Farmers Security Bank	Park River	985.37	
Farmers Exchange Bank	Parshall	533.41	
Peoples State Bank	Parshall	322.34	
Bank of Pekin	Pekin	544.88	
Merchants Bank of Pembina	Pembina	959.23	
Penn State Bank	Penn	359.08	
Farmers State Bank	Petersburg	495.59	
Pettibone State Bank	Pettibone	474.98	
Pillsbury State Bank	Pillsbury	- 326.38	Bank does not show withdrawal of $280.00.
Pingree State Bank	Pingree	292.85	
Pisek State Bank	Pisek	610.53	
Pioneer State Bank	Plaza	562.53	
Union Bank of Portal	Portal	735.14	
First State Bank	Powers Lake	780.57	
First Security Bank	Raleigh	315.43	
Pioneer State Bank	Raub	182.07	
First State Bank	Ray	741.20	
First State Bank	Reeder	964.27	
Regan State Bank	Regan	*258.46	
First State Bank	Regan	-217.14	
First State Bank	Regent	752.61	
First Bank of Revere	Revere	108.16	
State Bank of Reynolds	Reynolds	1,373.38	

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DUE FROM OPEN STATE BANKS ON ASSESSMENT ACCOUNTS-CONTINUED

NAME OF BANK	ADDRESS	DUE FROM STATE BANKS ON ASSESSMENTS	
Bank of Rhame	Rhame	279.11	
First State Bank	Rhame	511.39	
Farmers State Bank	Richardton	619.90	
Merchants State Bank	Richardton	1,374.55	
Security State Bank	Robinson	124.91	
Rock Lake State Bank	Rock Lake	338.54	
First State Bank	Rogers	713.59	
Rolette State Bank	Rolette	580.21	
Farmers & Merchants Bank	Rolla	319.07	
Roseglen State Bank	Roseglen	205.78	
State Bank of Ross	Ross	414.03	
Citizens State Bank	Rugby	765.10	
Merchants Bank of Rugby	Rugby	772.08	
Security Bank of Rugby	Rugby	856.27	
St. John State Bank	St. John	305.50	
Farmers State Bank	St. Thomas	726.81	1st additional assess. 1926 not on bank books.
Commercial State Bank	Sanish	310.26	
Merchants State Bank	Sarles	738.85	Bank does not show withdrawal of $670.00
Bank of Scranton	Scranton	645.62	
Selfridge State Bank	Selfridge	648.97	Bank does not show $588.95 taken over with Citizens State Bank of Selfridge.
Farmers State Bank	Selz	432.96	344.18 Selfridge St 814.15
Interstate Bank Billings Co.	Sentinel Butte	362.27	
Farmers State Bank	Shelden	665.62	
First International Bank	Sherwood	745.64	
Farmers & Merchants Bank	Sheyenne	1,549.08	1st additional assess. 1925 not on bank books.
Shields State Bank	Shields	267.05	
First State Bank	Silva	342.08	
Solen State Bank	Solen	523.62	
State Bank of Souris	Souris	663.65	
Southam State Bank	Southam	219.24	
First State Bank	South Heart	472.36	
Spiritwood State Bank	Spiritwood	512.77	
First State Bank	Stanton	814.89	Bank of Stanley
Farmers Bank of Starkweather	Starkweather	452.47	
St. Bank of Starkweather	Starkweather	338.84	
Sterling State Bank	Sterling	554.10	
First State Bank	Strassburg	1,222.05	
Security State Bank	Strassburg	1,035.98	
Citizens State Bank	Sutton	526.69	
Farmers Bank of Sutton	Sutton	340.25	1st. additional assess. 1926 not on bank books.
Citizens State Bank	Sykeston	312.01	
Sykeston State Bank	Sykeston	460.45	4th additional assess. 1925 not on bank books.

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DUE FROM OPEN STATE BANKS ON ASSESSMENT ACCOUNTS-CONTINUED

NAME OF BANK	ADDRESS	DUE FROM STATE BANKS ON ASSESSMENTS	
Tappen State Bank	Tappen	672.77	
Security Bank of Temple	Temple	119.40	Bank does not show one of 1925 assessments.
Templeton State Bank	Temvik	443.71	
Farmers & Merchants Bank	Tioga	341.36	
Tioga State Bank	Tioga	-492.62	
Tokio State Bank	Tokio	226.48	1st. additional assess. 1926 not on bank books.
Security State Bank	Tolley	114.15	
Farmers & Merchants Bank	Tolna	-*484.10	
Pioneer State Bank	Towner	279.50	
First State Bank	Turtle Lake	965.10	
Tuttle State Bank	Tuttle	359.19	
Security State Bank	Underwood	856.25	
Security State Bank	Upham	814.64	
American Exchange Bank	Valley City	2,043.22	1st additional assess. 1926 not on bank books.
Middlewest Trust Co.	Valley City	1,227.20	
Farmers State Bank	Van Hook	593.98	
Peoples State Bank	Velva	403.45	
First State Bank	Venturia	841.13	
Farmers & Merchants Bank	Verona	321.37	
State Bank of Verona	Verona	375.74	
Farmers & Merchants Bank	Wahpeton	565.69	1st additional assess. 1926 not on bank books.
First State Bank	Walcott	923.22	
Citizens State Bank	Wales	445.42	
State Bank of Wales	Wales	664.44	
Citizens Bank of Walhalla	Walhalla	1,359.10	
Security State Bank	Warwick	-155.60	
Farmers Security Bank	Washburn	407.05	
Washburn State Bank	Washburn	476.95	
First State Bank	Watford City	663.01	1st additional assess. 1926 not on bank books.
Security State Bank	Watford City	181.62	— 181.88
Bank of Webster	Webster	414.90	
Farmers State Bank	Wellsburg	314.98	
Peoples State Bank	Westhope	488.55	
State Bank of Wheatland	Wheatland	179.37	
Citizens State Bank	Wheelock	245.58	
First State Bank	Wheelock	97.63	
First State Bank	White Earth	382.47	
First Citizens Bank	Wildrose	-515.11	
Security State Bank	Wildrose	-619.82	
Commercial State Bank	Williston	1,600.38	
Wilton Bank	Wilton	721.06	
Farmers & Merchants Bank	Wimbledon	-*279.96	
Farmers State Bank	Windsor	333.05	

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DUE FROM OPEN BANKS ON ASSESSMENT ACCOUNTS-CONTINUED

NAME OF BANK	ADDRESS	DUE FROM STATE BANKS ON ASSESSMENTS	
First State Bank	Wishek	995.99*	
Security State Bank	Wishek	-779.01	
Farmers State Bank	Wolford	239.95*	Bank credited $44.60 on Dec.6-24 that was not assessed.
Farmers State Bank	Woodworth	552.44*	1st additional assess. 1926 not on bank books.
Bank of York	York	733.22*	
Farmers State Bank	Ypsilanti	279.91*	
State Bank of Zahl	Zahl	511.98*	
First State Bank	Zap	455.16*	
German State Bank	Zeeland	-577.65	
Zeeland State Bank	Zeeland	1,953.75*	

NATIONALIZED BANKS:

The assessment on the following banks are in dispute and listed as appearing on Department Records.

First State Bank	Adrian	731.88	Taken over by First Nat. Bank of Montpelier.
Merchants & Farmers Bank	Cavalier	279.33	Became Merchants Nat. Bank of Cavalier.
Logan County Bank	Gackle	1,761.62	Taken over by First Nat. Bank of Gackle
State Bank of Guthrie	Guthrie	282.37	Taken over by First Nat. Bank of Drake.
Stock Growers Bank	Marmarth	635.37	Taken over by First Nat. Bank of Marmarth.
Citizens State Bank	Sharon	48.62	Taken over by First Nat. Bank of Sharon.
Taylor State Bank	Taylor	1,551.03	Now is Security National Bank of Taylor.
Bank of Valley City	Valley City	1,528.17	Taken over by Sec. Nat. Bank of Valley City.
Lamb's Bank	Whitman	2,178.05	Now is First National Bank of Whitman.

AMOUNT TO STATEMENT 247,934.62

* Banks that have not responded to our request for verification.

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DETAIL "C"

DEPOSITOR'S GUARANTY FUND

DUE FROM CLOSED BANKS ON ASSESSMENTS

NAME OF BANK	ADDRESS	AMOUNT DUE
Farmers and Merchants Bank	Aneta	451.80
State Bank of Aurelia	Aurelia	536.30
Ayr State Bank	Ayr	522.65
Baldwin State Bank	Baldwin	946.50
Balfour State Bank	Balfour	557.65
State Bank of Berthold	Berthold	1,033.70
Security State Bank	Bonetrail	193.75
Bottineau County Bank	Bottineau	1,264.15
Farmers & Merchants State Bank	Calio	1,110.35
Peoples State Bank	Casselton	199.79
Farmers & Merchants Bank	Cogswell	2,549.40
Crete State Bank	Crete	444.55
Crystal State Bank	Crystal	373.17
First State Bank	Dawson	499.00
Dazey State Bank	Dazey	668.15
Dodge State Bank	Dodge	340.20
Farmers Bank of Dunn Center	Dunn Center	819.55
First State Bank	Easby	1,035.53
Farmers Bank	Fessenden	303.60
Farmers Bank	Garrison	754.25
Bank of Gilby	Gilby	979.05
Granville State Bank	Granville	298.15
State Bank of Grenora	Grenora	213.85
Security State Bank	Hanks	143.52
Farmers State Bank	Hannaford	1,114.20
Hurdsfield State Bank	Hurdsfield	590.80
First State Bank	Killdeer	32.17
Citizens State Bank	Langdon	3,935.55
First State Bank	Lone Tree	328.25
Citizens State Bank	Maddock	151.62
Bank of Maida	Maida	691.11
Guaranty State Bank	Mantador	376.85
State Bank of Maxbass	Maxbass	853.40
Scandinavian American Bank	Minot	3,796.23
Security Bank	Mohall	1,633.60
Bank of Mowbray	Mowbray	251.20
Farmers Bank of Munich	Munich	2,238.85
Bank of New Rockford	New Rockford	923.04
State Bank of Nortonville	Nortonville	505.55

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DUE FROM CLOSED BANKS ON ASSESSMENTS-CONTINUED

NAME OF BANK	ADDRESS	AMOUNT DUE
Citizens Bank of Omemee	Omemee	1,242.40
Bank of Orr	Orr	1,529.10
Great Western Bank	Osnabrock	1,218.55
Bank of Perth	Perth	891.60
Towner County Bank	Perth	1,183.40
Citizens State Bank	Pingree	177.46
Farmers Bank of Ray	Ray	2,159.00
State Bank of Rolla	Rolla	204.96
First State Bank	Ruso	992.05
First State Bank	Rutland	635.85
First State Bank	Ryder	578.00
First State Bank	Sawyer	796.80
Mouse River Valley Bank	Souris	111.14
Citizens State Bank	Stanley	1,147.85
Sterum State Bank	Sterum	1,117.25
Citizens State Bank	Tagus	543.55
Underwood State Bank	Underwood	1,145.20
Farmers State Bank	Verendrye	632.00
Farmers State Bank	Voltaire	107.15
Wahpeton State Bank	Wahpeton	1,217.17
Merchants State Bank	Werner	835.40
Bank of Wyndmere	Wyndmere	673.52
	AMOUNT TO STATEMENT	52,800.43

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DETAIL "D"

SPECIAL DEPOSITS WITH CLOSED BANKS

NAME OF BANK	ADDRESS	BALANCE DUE NOV.1-1924 DR.	INTEREST CHARGES DR.	EXPENSE CHARGES DR.	ADDED CHARGE FOR COLLATERAL COLLECTIONS FOR BANK OF NEW ROCKFORD DR.	COLLECTIONS CR.	BALANCE NOV.30-1926
Clyde State Bank	Clyde	5,000.00	116.60				5,116.60
Farmers Bank of Dunn Center	Dunn Center	1,151.76	95.57	40.98			1,288.31
State Bank of Grenora	Grenora	6,990.54	600.93			4,600.49	2,990.98
Security State Bank	Hanks	6,629.58	370.52			723.00	6,277.10
State Bank of Maxbass	Maxbass	9,291.56	506.58			1,466.33	8,331.81
Scandinavian American Bank	Minot	10,400.00	424.80		4,574.49	11,231.84	4,167.45
Farmers State Bank	Nome	9,062.53	508.86			6,913.33	2,658.06
Farmers Bank of Ray	Ray	700.00	38.24			148.31	589.93
Farmers and Merchants Bank	Sherwood	13,562.13	565.37			6,305.63	7,821.87
Tolley State Bank	Tolley	11,127.73	631.81			6,566.45	5,193.09
Williams County State Bank	Williston	21,398.39	1,366.98	1,665.30		7,544.87	*16,885.80
Williston State Bank	Williston	11,034.34		36.25		51.85	11,018.74
					AMOUNT TO STATEMENT		72,339.74

* The books of the department show balance due from Williams County State Bank of $28,032.28. The Bank of North Dakota shows collections on hand to this account of $11,146.48 which is set up in bank account and credited to Williams County State Bank in our statements.

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DETAIL "B"

DEPOSITOR'S GUARANTY FUND

ACCOUNTS RECEIVABLE (CLAIM ACCOUNTS)

First State Bank	Dawson	1.50
Farmers State Bank	Cremora	1.60
State Bank of Cremora	Cremora	17.75
Citizens Bank of Maddock	Maddock	47.40
Mohall Security Bank	Mohall	24.50
Citizens Bank of Omemee	Omemee	244.12
Farmers Bank of Ray	Ray	1.60
State Bank of Rolla	Rolla	1.60
AMOUNT TO STATEMENT		340.07

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DETAIL "F"

DEPOSITOR'S GUARANTY FUND

3/4 ASSESSMENT ACCOUNT - NEW BANKS

NOVEMBER 30, 1926

NAME OF BANK	Ref		ADDRESS	AMOUNT
Union Bank	467	42	Dunn Center	450.00
First State Bank	NN 57	48	Alamo	450.00
Nome State Bank	184	62	Nome	450.00
First State Bank	36	35	Center	450.00
Commercial State Bank	738	12	Williston	1,200.00
Union Bank of Portal	71	61	Portal	600.00
Union Bank of Antler	248	64	Antler	450.00
Renville County Bank	444	39	Mohall	450.00
First State Bank	27 1026	21	New Salem	450.00
Burrell State Bank	330	52	Horace	450.00
City State Bank			Jud	450.00

P Page 474 Folio 69
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AMOUNT TO STATEMENT 5,850.00

108 3 69

983.00

450.
5.400.00
983
4,417.00

7,700
5850
1,350

7,700
4417
3,283
1800
983

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DETAIL "M"

DEPOSITOR'S GUARANTY FUND

UNDISTRIBUTED SPECIAL DIVIDEND
FROM RECEIVER OF CLOSED BANKS

First Security Bank	Carpio	188.14
Security State Bank	Columbus	431.53
Fortuna State Bank	Fortuna	719.55
Peoples State Bank	Grand Forks	1,035.53
Citizens State Bank	Hazen	76.35
Peoples State Bank	Leith	1,302.89
First Farmers Bank	Minot	2,427.19
Farmers State Bank	Neche	894.33
State Bank of Oriska	Oriska	810.21
Prosper State Bank	Prosper	121.50
Timmer State Bank	Timmer	107.12
AMOUNT TO STATEMENT		8,114.34

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DETAIL "K"

DEPOSITOR'S GUARANTY FUND

BANK ASSESSMENTS LEVIED

NOV. 1, 1924 TO NOV. 30, 1926

REGULAR AND SPECIAL 1/20 of 1% ASSESSMENTS

Second Added Assessment	1924		33,581.58	
Third " "	1924		33,346.26	
Fourth " "	1924		32,960.35	
Assessment #9	1925		36,981.32	
First Added Assessment	1925		36,815.94	
Second " "	1925		36,893.01	
Third " "	1925		36,504.04	
Fourth " "	1925		36,197.52	
Assessment #10	1926		36,200.78	
First Added Assessment	1926		35,582.57	355,063.37
Accrued Assessments levied on banks after they had closed				44,919.08
Miscellaneous Added Assessments				2,141.65
3% Assessment State Bank of Langdon closed into Assessment Account				750.00
2% and 3% Assessment adjustments closed into Assessment Account from New Banks				2,774.48
TOTAL ASSESSMENT INCOME				405,648.58

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DETAIL "L"

DEPOSITOR'S GUARANTY FUND

INTEREST RECEIVED

Received from:-	
Special Deposit Banks	5,914.80
Bank of North Dakota	9,474.40
Capital Security Bank, Bismarck	44.84
U.S. Certificates of Indebtedness, 1st. National Bank of Minneapolis	318.75
	15,752.79
Less:- Amount Paid Northern Trust Company, Fargo	304.56
AMOUNT TO STATEMENT	15,448.23

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DETAIL "M"

DEPOSITOR'S GUARANTY FUND

EXAMINATION FEES EARNED

NOV. 1, 1924 TO NOV. 30, 1926

NAME OF BANK	ADDRESS	AMOUNT
State Bank of Oriska	Oriska	39.00
Pillsbury State Bank	Pillsbury	39.11
State Bank of Langdon	Langdon	26.55
First State Bank	Corinth	49.92
Gardena State Bank	Gardena	180.53
Mouse River Valley Bank	Souris	22.00
First State Bank	Corinth	82.44
Security State Bank	Deering	12.50
First State Bank	Norwich	15.00
Burke County Bank	Bowbells	36.35
Portal State Bank	Portal	11.64
Farmers State Bank	Lawton	3.00
State Bank of Hensel	Hensel	3.10
State Bank of Wolford	Wolford	28.19
Gardena State Bank	Gardena	28.98
Security State Bank	Hanks	81.42
State Bank of Grenora	Grenora	135.26
Citizens Bank of Omemee	Omemee	19.92
State Bank of Bantry	Bantry	14.04
Farmers Bank of Munich	Munich	125.95
Farmers Bank of Munich	Munich	47.00
First State Bank	Beulah	55.13
Farmers State Bank	Kathryn	118.80
Farmers State Bank	Kathryn	72.50
Scandinavian American Bank	Minot	30.00
DeLamere State Bank	DeLamere	202.82
Bank of Hansboro	Hansboro	89.73
Farmers & Merchants State Bank	Inkster	74.92
Farmers State Bank	Rutland	85.37
Farmers State Bank	Rutland	40.64
Farmers State Bank	Rutland	4.85
Farmers State Bank	Rutland	37.07
Farmers State Bank	East Fairview	38.31
Farmers State Bank	East Fairview	14.96
Farmers State Bank	Kathryn	21.84
Glover State Bank	Glover	67.36
Security State Bank	Hamberg	41.53
Devils Lake State Bank	Devils Lake	109.02
Farmers & Merchants State Bank	Inkster	52.28
Bank of Maida	Maida	3.00
First State Bank	Rasby	7.50
Farmers Bank of Hampden	Hampden	40.00

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EXAMINATION FEES EARNED-CONTINUED

NAME OF BANK	ADDRESS	AMOUNT
Security State Bank	Glasston	5.78
State Bank of Antler	Antler	71.52
Crystal State Bank	Crystal	60.00
Tolley State Bank	Tolley	133.29
Bank of Egeland	Egeland	96.86
Bank of Perth	Perth	60.00
Mohall Security Bank	Mohall	14.92
State Bank of Powers Lake	Powers Lake	26.91
Farmers Bank	Emerado	58.00
First and Security Bank	Crosby	20.50
First and Security Bank	Crosby	162.76
Farmers State Bank	Kathryn	119.00
Farmers State Bank	Hebron	66.71
Farmers State Bank	Regan	95.47
Farmers State Bank	Regan	56.69
First State Bank	Bowesmont	60.00
Citizens State Bank	Bisbee	60.00
Pillsbury State Bank	Pillsbury	52.20
Farmers State Bank	Mantador	91.13
Farmers & Merchants Bank	Granville	102.67
Farmers & Merchants Bank	Reeder	107.19
Farmers & Merchants Bank	Bowdon	145.58
Towner County Bank	Perth	60.00
First State Bank	Velva	60.00
Farmers Bank of Ray	Ray	57.94
First State Bank	Manvel	60.00
Farmers & Merchants Bank	Granville	34.45
Farmers Bank of Golden Valley	Golden Valley	69.64
First State Bank	Englevale	60.00

Miscellaneous Income:

Witness fees from Williams County	110.50
J. C. Desmond, Stenographer fees refund	37.50

TOTAL EXAMINATION FEES EARNED 4,426.74

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DETAIL "F"

CONDENSED SUMMARY OF CLASSIFIED OPERATING EXPENSE
NOV. 1, 1924 TO NOV. 30, 1926

	PAID FROM STATE GENERAL FUND APPROPRIATIONS	PAID FROM DEPOSITORS GUARANTY FUNDS	TOTAL EXPENSE
Commissioners Per Diem and Expense	5,975.77	*713.35	5,262.42
Clerk Hire and Office Salaries	14,093.78	4,023.11	18,116.89
Postage	2,927.44		2,927.44
Supplies	1,414.53		1,414.53
Furniture and Fixtures	1,041.59		1,041.59
Printing	1,814.47	*174.11	1,640.36
Miscellaneous	2,353.85	96.60	2,450.45
Court Costs	116.13		116.13
Prior Appropriation Charges-Undistributed	3,275.90		3,275.90
Inspectors Salaries	9,195.71	7,466.62	16,662.33
Auditors & Inspecters Traveling Expense	4,392.34	4,978.17	9,370.51
Auditors Salaries		8,281.65	8,281.65
Referee & Legal Counsel Salaries		12,429.14	12,429.14
Referee & Legal Counsel Traveling Expense		736.00	736.00
Special Legal Services		6,600.86	6,600.86
Department Audit Expense		2,217.82	2,217.82
TOTAL	46,601.51	45,942.51	92,544.02

* This represents expense charged direct to Depositor's Guaranty Fund prior to our audit and fund was reimbursed after Nov. 1, 1924 from General Fund Appropriations as provided by Chapter 18 S.L.1925.

See Pages Following for Further Details.

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EXPENSE CHARGES TO GENERAL FUND APPROPRIATIONS

MONTH	TOTAL	COMMISSION PER DIEM	CLERK HIRE	POSTAGE	SUPPLIES	FURN. & FIXT.	PRINTING	BONDING AND MISC.	TRAVELING EXPENSE COMMISSION	SALARY INSPECTOR	TRAVELING INSPECTOR	CHARGED TO APPROP.
November 1924	1,044.34	335.00	125.00	451.80		84.00		48.54				
December	151.00		125.00					26.00				
January 1925	594.00		100.00	119.30	270.96	34.15		69.59				
February	71.61						10.06	61.55				
March	*13,231.85	765.00	2,790.45	360.24	300.77	197.68	864.38	129.70	2,357.36	1,833.26	2,138.45	1,494.56
April	1,680.52		730.00	260.16	15.50	168.90	23.00	21.24		166.66	295.06	
May	2,187.31		730.00	119.30	1.85	43.44	199.50	926.56		166.66		
June	1,597.20	275.00	750.00		56.05		93.85	79.65		166.66	175.99	
Total Expense to Nov.1 1924 to June 30 1925	20,557.83	1,375.00	5,350.45	1,310.80	645.13	528.17	1,190.79	1,362.83	2,357.36	2,333.24	2,609.50	1,494.56
Balance Nov. 1, 1924	7,363.07	340.00	1,500.00	1,271.40	250.12	162.75	759.95	236.30	476.78 O.D.	58.18 O.D.		3,377.51
Emergency Appropr.Chapt. 18-S.L. 1925	19,450.00	1,350.00	3,900.00		400.00	600.00	1,600.00	1,300.00	3,800.00	3,000.00	3,500.00	
Emerg. Trans.from Misc.	39.40			39.40								
Total	26,852.47	1,690.00	5,400.00	1,310.80	650.12	762.75	2,359.95	1,536.30	3,323.22	2,941.82	3,500.00	3,377.51
Exp.11-1-24 to 6-30-25	20,557.83	1,375.00	5,350.45	1,310.80	645.13	528.17	1,190.79	1,362.83	2,357.36	2,333.24	2,609.50	1,494.56
Bal.on Hand 6-30-25	6,294.64	315.00	49.55		4.99	234.58	1,169.16	173.47	965.86	608.58	890.50	1,882.95
Less-Reverted to Gen.Fund	1,882.95											
BALANCE FORWARD	4,411.69											

* The expenditures for March 1925 include $7,612.13 returned to Depositor's Guaranty Fund for Expenses previously charged direct to Guaranty Fund as provided by Chapter 18-S.L. 1925.

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30 449 75
2,630,35-
28,019,40
15,454,35-
15,565,05

16,135,33
13702,14
2433.39

15,562,05-
13702,14
1859,91

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EXPENSE CHARGED TO GENERAL FUND APPROPRIATIONS

MONTH	TOTAL	COMMISSION PER DIEM	CLERK HIRE	POSTAGE	SUPPLIES	FURN. & FIXT.	PRINTING	MISC.	TRAVEL EXPENSE COMMISSION	SALARY OF SUPERVISORS AND INSPECTORS	TRAVELING EXPENSE INSPECTORS	COURT COSTS	PRIOR TO JULY 1 1925
July 1925	1,805.70		783.33				117.36	141.75		166.66	90.00		506.60
August	2,233.48	25.00	650.00		130.68		53.34	99.77		166.66	15.48		1.092.55
September	1.475.18	25.00	650.00	233.70			104.92	12.10	195.80	166.66	12.00		75.00
October	1,547.86	135.00	650.00	158.00	21.06	88.40	11.68	31.60	180.96	166.66	104.50		
November	929.32	30.00	575.00	70.00	14.00		5.78	67.88		166.66			
December	1,209.26	95.00	500.00	24.00	86.90		38.19	64.10	234.41	166.66			
January 1926	1,307.54		500.00	371.00			3.59	36.60	96.42	166.66	26.08		107.19
February	719.07	40.00	500.00					12.41		166.66			
March	1,083.95	185.00	500.00	84.00	82.02		35.06	31.21		166.66			
April	3,230.21	35.00	500.00	44.00	15.00		124.34	13.97	295.97	1,620.82	581.11		
May	2,344.87	25.00	500.00	62.00	40.89	27.50	9.06	11.55	74.85	1,354.15	239.87		
June	2,368.14		450.00				8.29	64.95		1,554.15	290.75		
July	1,354.24	100.00	400.00	40.00	143.82		17.01	11.55	142.15	166.66	333.05		
August	1,151.04	35.00	355.00	278.72	111.89		11.92	191.85		166.66			
September	662.11		410.00		4.73		27.34	53.28		166.76			
October	1,385.78		410.00	122.22	61.25	397.52		112.00		166.66		116.13	
November	1,235.93	155.00	410.00	129.00	57.16		55.80	34.45	137.85	166.67	90.00		
TOTAL PAYMENTS	26,043.68	885.00	8,743.33	1,616.64	769.40	513.42	623.68	991.02	1,358.41	6,862.47	1,782.84	116.13	1,781.34
Prior Acc'ts For'd.	4,411.69												4,411.69
Approp.Chap.200S.L.-23	2,000.00											2,000.00	
Approp.Chap.145.L.-25	49,800.00	3,000.00	15,800.00	6,000.00	500.00	2,000.00	2,000.00	2,500.00	4,000.00	8,000.00	6,000.00		
Inter-Dept. Transfers	481.74				343.50			138.24					
TOTAL	56,693.43	3,000.00	15,800.00	6,000.00	843.50	2,000.00	2,000.00	2,638.24	4,000.00	8,000.00	6,000.00	2,000.00	4,411.69
Expense Payments as above	26,043.68	885.00	8,743.33	1,616.64	769.40	513.42	623.68	991.02	1,358.41	6,862.47	1,782.84	116.13	1,781.34
BALANCE	30,649.75	2,115.00	7,056.67	4,383.36	74.10	1,486.58	1,376.32	1,647.22	2,641.59	1,137.53	4,217.16	1,883.87	2,630.35

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OPERATING EXPENSES PAID DIRECT FROM DEPOSITOR'S GUARANTY FUND

MONTH	TOTAL	OFFICE SALARIES	INSPECTORS SALARIES	AUDITORS SALARIES	REFEREE SALARIES	MEMBERS SALARIES AND TRAVELING	AUDITORS AND INSPECTORS TRAVELING	REFEREE TRAVELING	SPECIAL LEGAL SERVICES	DEPARTMENT AUDIT EXPENSE	PRINTING & MISC. SUPPLIES & EXPENSE
Nov. 1924	4,655.05	475.00	833.31			55.00	143.64		2,505.86	500.00	142.24
December	3,519.52	541.66	833.31	1,066.65		60.00	444.08				573.82
Jan. 1925	5,510.96	585.66	833.31	215.00		50.00	1,015.55		812.99	1,717.82	280.63
February	4,122.95	821.42	833.31	600.00		717.71	310.45		821.46		18.60
March	1,523.09	166.66	499.99	600.00			240.94				15.50
April	1,478.16	166.66	333.33	400.00	333.33		244.84				
May	2,524.52	166.66	333.33	400.00	333.33		434.47		856.73		
June	3,908.66	166.66	333.33	400.00	333.33		575.40	75.14	2,024.80		
TOTAL	27,242.91	3,090.38	4,833.22	3,681.65	999.99	882.71	3,409.37	75.14	7,021.84	2,217.82	1,030.79
LESS REFUNDS AND COLLECTIONS FROM GENERAL FUND											
CHAP. 18-SL of 1925	7,612.13	1,900.60	1,499.94			1,506.06	1,410.63				1,204.90
Refund of Legal & Insp. Expense	1,304.18						139.90		1,164.28		
AMOUNT TO STATEMENT	18,326.60	1,189.78	3,333.28	3,681.65	999.99	713.35	1,858.84	75.14	5,857.56	2,217.82	174.11

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OPERATING EXPENSES PAID FROM DEPOSITOR'S GUARANTY FUNDS TRANSFERRED TO STATE TREASURER

MONTH	TOTAL	OFFICE SALARIES	INSPECTORS SALARIES	AUDITORS SALARIES	REFEREE & LEGAL COUNSEL SALARIES	AUDITOR AND INSPECTORS TRAVELING	REFEREE & LEGAL COUNSEL TRAVELING	SPECIAL LEGAL SERVICES	MISCELL.
July 1925	1,733.31	166.66	366.66	400.00	799.99				
August	2,092.20	166.66	366.66	400.00	799.99	267.04	91.85		
September	1,930.31	166.66	366.66	400.00	799.99	135.23	61.77		
October	2,813.48	166.66	366.66	400.00	820.83	566.55	35.00	457.78	
November	2,143.84	166.66	366.66	400.00	820.83	160.03	83.06	50.00	96.60
December	2,060.28	166.66	366.66	400.00	820.83	306.13			
Jan. 1926	2,075.42	166.66	333.32	400.00	820.83	354.61			
February	2,069.81	166.66	366.66	400.00	820.83	281.73	33.93		
March	2,550.95	166.66	366.66	400.00	820.83	452.43	108.85	235.52	
April	200.00	166.66	33/34						
May	166.66	166.66							
June	166.66		166.66						
July	1,354.15	333.32		200.00	820.83				
August	1,616.72	166.66	166.66	200.00	820.83	142.92	119.65		
September	1,630.19	166.76	166.76	200.00	820.88	149.04	126.75		
October	1,502.91	166.66	166.66	200.00	820.83	148.76			
November	1,509.02	166.67	166.66	200.00	820.83	154.86			
TOTALS	27,615.91	2,833.33	4,133.34	4,600.00	11,429.15	3,119.33	660.86	743.30	96.60

Transferred from Depositor's Guaranty Fund to Special Account in hands of State Treasurer July 1925 — 20,000.00
" " " " " " " " " " " " " July 1926 — 20,000.00

Total — 40,000.00
Expenditures as above — 27,615.91

BALANCE IN FUND — 12,384.09

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242.16

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PAYROLL OF DEPOSITOR'S GUARANTY FUND COMMISSION

FOR MONTH OF NOVEMBER 1926

NAME	ADDRESS	POSITION	RATE	TIME SERVED	AMOUNT PAID	DATE OATH OF OFFICE FILED	AMOUNT OF BOND WITH STATE BONDING DEPARTMENT	EXPIRATION DATE OF BOND
S. G. Severtson	Bismarck	Member of Commission	5.00 per diem	5 days	*25.00	7-14-26	10,000.00	7-1-29
H. A. Fisher	Washburn	" " "	5.00 per diem	15 days	*75.00	4-24-25	10,000.00	7-1-27
A. W. Engel	Esmond	" " "	5.00 per diem	11 days	*55.00	7-6-25	10,000.00	7-2-28
F. W. Cathro	Bottineau	Inspector	4,000.00 per yr.	1 mo.	333.33	7-6-25	10,000.00	6-30-27
Gilbert Semingson	Bismarck	Secretary	2,000.00 per yr.	1 mo.	166.67	4-29-26	20,000.00	7-1-27
C. J. Fisk	Minot	Referee	4,000.00 per yr.	1 mo.	333.33	4-2-25	10,000.00	4-2-27
Clyde Duffy	Devils Lake	Legal Counsel	300.00 per mo.	1 mo.	300.00	5-2-25	10,000.00	7-1-27
Joe. E. Sullivan	Mandan	Reporter	187.50 per mo.	1 mo.	187.50	4-29-25	10,000.00	7-1-27
M. W. Arndt	Bismarck	Ass't Secretary	175.00 per mo.	1 mo.	175.00		10,000.00	7-1-27
D. J. Heaney	Courtney	Auditor	200.00 per mo.	1 mo.	200.00		10,000.00	7-1-27
Gayle Hawke	Bismarck	Stenographer	125.00 per mo.	1 mo.	125.00			
Bertha Severtson	Bismarck	Stenographer	110.00 per mo.	1 mo.	110.00			

TOTAL PAID 2,085.83

* October per Diem paid in November.

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DETAIL "Q"

DEPOSITOR'S GUARANTY FUND

10% GENERAL DIVIDENDS PAID Depositors CLOSED BANKS

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Farmers State Bank	Alamo	June 28, 1924	161,588.34		
First State Bank	Amidon	June 8, 1921	200,761.03		4,905.32
Slope County Bank	Amidon	June 8, 1921	227,669.05		3,043.39
Farmers and Merchants Bank	Aneta	Aug. 13, 1925	68,779.33		
Citizens State Bank	Antler	Dec. 3, 1920	133,913.27		
State Bank of Aurelia	Aurelia	May 18, 1926	50,144.33		
Ayr State Bank	Ayr	Nov. 15, 1926	103,823.72		
Baldwin State Bank	Baldwin	Nov. 19, 1923	114,182.47		3,449.87
American State Bank	Balfour	Feb. 25, 1924	150,613.92		
Balfour State Bank	Balfour	Sept. 16, 1926	41,179.36		
State Bank of Bantry	Bantry	Nov. 20, 1920	78,704.63		4,793.94
Farmers and Merchants Bank	Barton	Feb. 13, 1926	75,475.48		
Citizens State Bank	Bathgate	Nov. 22, 1921	102,575.45		8,224.09
Beach State Bank	Beach	Nov. 19, 1920	129,935.74		4,731.59
Golden Valley State Bank	Beach	Feb. 25, 1926	222,199.22		
Farmers State Bank	Belfield	Nov. 22, 1920	65,198.93		5,208.80
First State Bank	Benedict	Dec. 3, 1923	61,378.94		3,458.92
Security State Bank	Benedict	Oct. 3, 1921	79,405.65		2,276.77
Farmers State Bank	Bergen	Nov. 7, 1925	49,368.02		
First State Bank	Bergen	Oct. 7, 1923	40,491.78		2,837.42
State Bank of Berthold	Berthold	Dec. 16, 1924	186,647.25		
Citizens State Bank	Bisbee	Mar. 26, 1925	114,959.31		
Bismarck Bank	Bismarck	Jan. 6, 1926	234,232.42		
Blaisdell State Bank	Blaisdell	Aug. 9, 1923	79,827.86		764.20
Security State Bank	Bonetraill	Oct. 6, 1923	66,054.37		729.00
Bottineau County Bank	Bottineau	Sept. 28, 1923	435,597.89		31,641.50
Burke County State Bank	Bowbells	Aug. 15, 1924	68,475.35		
First State Bank	Bowbells	Dec. 2, 1922	173,727.26		3,811.47
Farmers and Merchants Bank	Bowden	Jan. 19, 1925	258,833.42		
First State Bank	Bowesmont	Apr. 15, 1925	84,307.75		
Farmers and Mechanics Bank	Bowman	Apr. 13, 1923	108,614.43		6,291.29
State Bank of Bowman	Bowman	Nov. 28, 1923	208,812.31		8,139.14
Farmers State Bank	Brantford	Nov. 15, 1922	75,226.54		7,072.50
Security State Bank	Brantford	July 18, 1921	62,825.98		2,957.65
American State Bank	Burlington	Aug. 9, 1923	399,322.59		5,702.53

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10% GENERAL DIVIDENDS PAID - CLOSED BANKS-CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Farmers & Merchants State Bank	Calio	Feb. 25, 1926	189,258.23		
Bank of Carbury	Carbury	Jan. 18, 1924	37,566.91		
First Security Bank of Carpio	Carpio	Dec. 27, 1920	23,765.71	7,466.18	1,042.32
Commercial State Bank	Carrington	Mar. 15, 1923	160,914.23		12,984.75
First State Bank	Cartwright	Nov. 23, 1923	27,408.75	742.73	851.83
Peoples State Bank	Casselton	Oct. 3, 1924	4,859.33		
Cayuga State Bank	Cayuga	Jan. 28, 1924	123,368.77		
Bank of Oliver County	Center	Dec. 6, 1923	191,878.14	19,672.27	4,998.32
Farmers State Bank	Charboneau	Nov. 19, 1923	58,804.88		3,860.99
Farmers Bank of McKenzie Co.	Charlson	Jan. 9, 1924	39,129.65		
Farmers State Bank	Christine	July 13, 1925	196,194.00		
Farmers State Bank	Churches Ferry	Jan. 22, 1924	98,266.60		
Clyde State Bank	Clyde	Jan. 30, 1924	90,063.06		
First State Bank	Cleveland	Feb. 7, 1924	31,501.92		
Cogswell State Bank	Cogswell	Jan. 5, 1922	205,060.30		11,703.00
Farmers & Merchants State Bank	Cogswell	Nov. 10, 1923	154,131.16		10,512.49
Security State Bank	Columbus	Nov. 22, 1920	99,767.26	4,408.65	5,041.68
Farmers Security Bank	Conway	Dec. 17, 1925	15,632.39		
Coulee Dairy Bank	Coulee	Jan. 21, 1926	59,774.29		
Security State Bank	Courtenay	Feb. 21, 1921	87,279.21		4,644.63
Stutsman County Bank	Courtenay	May 12, 1924	173,447.60		
Farmers Bank of Crary	Crary	Nov. 28, 1923	95,066.32		7,743.52
Crete State Bank	Crete	Mar. 12, 1925	94,328.80		
Crocus State Bank	Crocus	Feb. 21, 1921	42,160.50		809.02
Crystal State Bank	Crystal	Feb. 24, 1925	93,276.92		
First State Bank	Crystal Springs	Jan. 4, 1921	121,469.63		1,726.08
Farmers State Bank	Dawson	Nov. 19, 1923	52,933.62		2,565.02
First State Bank	Dawson	Sept. 8, 1923	202,513.26		3,732.15
Dazey State Bank	Dazey	Feb. 26, 1923	142,535.30		5,160.27
Security State Bank	Deering	Nov. 14, 1923	115,097.25		6,831.35
Farmers Bank of Derrick	Derrick	Feb. 6, 1924	19,453.80		
Devils Lake State Bank	Devils Lake	Feb. 9, 1925	171,506.86		
Farmers State Bank	Dodge	Apr. 30, 1925	115,325.15		
First State Bank	Dogden	Apr. 15, 1926	69,623.41		
Donnybrook State Bank	Donnybrook	Nov. 24, 1920	417,355.00		15,717.36

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10% GENERAL DIVIDENDS PAID - CLOSED BANKS-CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Driscoll State Bank	Driscoll	Nov. 8, 1923	104,952.75		1,676.34
Farmers & Merchants State Bank	Driscoll	June 14, 1926	131,923.64		
Farmers Bank of Dunn County	Dunn Center	Aug. 9, 1923	102,928.58		5,091.94
First State Bank	Dunn Center	Sept. 13, 1923	134,520.42		5,656.58
Dunseith State Bank	Dunseith	May 9, 1921	38,876.65		2,198.64
Dodge State Bank	Dodge	Nov. 18, 1926	41,050.94		
First State Bank	Easby	May 9, 1924	74,296.24		
Farmers State Bank	East Fairview	July 1, 1924	144,661.67		
Citizens State Bank	Edgeley	Dec. 6, 1920	311,182.17	22,984.94	23,912.02
Bank of Egeland	Egeland	Feb. 6, 1924	89,612.58		
State Bank of Elliot	Elliot	June 11, 1924	87,511.65		
Farmers Bank of Emerado	Emerado	June 24, 1924	67,048.82		
First State Bank	Englevale	July 3, 1926	72,446.55		
First State Bank	Epping	Sept. 27, 1923	107,254.33		1,161.03
Security State Bank	Fairdale	May 29, 1923	91,958.79		3,499.32
Scandinavian American Bank	Fargo	Feb. 14, 1921	681,324.19		33,682.96
Farmers Bank of Fessenden	Fessenden	July 25, 1923	109,503.14		4,717.99
First State Bank	Fillmore	Feb. 27, 1923	43,033.41		2,181.12
Merchants State Bank	Fingal	Oct. 11, 1923	131,129.28		9,977.82
Citizens State Bank	Flaxton	May 12, 1924	155,552.60		
Farmers State Bank	Forman	Apr. 16, 1926	83,382.91		
First State Bank	Fort Clark	Dec. 6, 1923	76,051.33		1,082.48
Fort Ransom State Bank	Fort Ransom	Oct. 20, 1923	161,370.58		10,368.44
Fortuna State Bank	Fortuna	Nov. 30, 1920	75,931.50	11,636.77	2,889.52
Gardena State Bank	Gardena	Aug. 15, 1924	101,362.93		
Farmers Bank of Garrison	Garrison	Mar. 31, 1926	116,705.08		
Geneseo State Bank	Geneseo	Sept. 20, 1926	103,181.04		
Bank of Gilby	Gilby	Nov. 23, 1926	161,000.64		
Security State Bank	Glasston	June 4, 1924	30,284.38		
Glenburn State Bank	Glenburn	May 29, 1924	70,748.68		
Farmers Bank of Golden Valley	Golden Valley	May 3, 1926	83,474.16		
First American Bank	Golden Valley	Nov. 10, 1923	148,441.90		5,933.04
First Savings Bank	Grand Forks	Aug. 15, 1924	285,183.06		
Peoples State Bank	Grand Forks	Feb. 27, 1921	197,321.91	66,513.23	18,242.38
Farmers & Merchants State Bank	Granville	Feb. 3, 1926	223,822.77		

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10% GENERAL DIVIDENDS PAID - CLOSED BANKS-CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Granville State Bank	Granville	Oct. 22, 1923	122,400.97		9,583.03
Farmers State Bank	Green	Nov. 20, 1920	118,055.51		3,679.86
Farmers State Bank	Grenora	Dec. 11, 1923	158,259.91		
State Bank of Grenora	Grenora	Nov. 14, 1923	66,640.05		2,260.74
Farmers State Bank	Halliday	Mar. 24, 1924	64,427.08		
Farmers State Bank of Hampden	Hampden	May 12, 1924	145,543.15		
Security State Bank	Hanks	Feb. 29, 1924	137,373.28		
Farmers State Bank	Hannaford	June 10, 1926	183,809.73		
Hansboro State Bank	Hansboro	Jan. 23, 1926	80,919.81		
Peoples State Bank	Hatton	Oct. 22, 1921	64,141.38	Paid in full by Receiver.	
Farmers State Bank	Havelock	Nov. 18, 1920	47,025.72		2,552.72
First State Bank	Haynes	Jan. 28, 1924	82,878.25		
Farmers State Bank of Mercer Co.	Hazen	Aug. 20, 1923	86,217.87		3,091.55
Citizens State Bank	Hazen	Apr. 21, 1921	247,510.04	6,929.95	7,999.63
First State Bank	Hazen	Dec. 7, 1923	146,633.97		2,555.64
Farmers State Bank	Hebron	Apr. 24, 1925	85,603.61		
State Bank of Hensel	Hensel	Aug. 15, 1924	96,593.91		
Farmers State Bank	Hesper	Nov. 17, 1923	12,964.47	539.59	593.17
Hickson State Bank	Hickson	July 30, 1923	126,753.52		8,498.02
Horace State Bank	Horace	Aug. 24, 1923	151,679.54		13,105.84
Farmers and Merchants Bank	Hunter	Sept. 15, 1924	107,289.18		
Hurdsfield State Bank	Hurdsfield	July 25, 1923	51,174.58		988.95
First State Bank	Joliette	Dec. 13, 1923	37,672.04		
Farmers & Merchants Equity Bank	Jud	Feb. 14, 1921	76,916.36		
Security State Bank	Karlsrud	Nov. 7, 1925	58,386.17		
Karnah State Bank	Karnah	Dec. 12, 1923	15,537.06		
Security State Bank	Kensal	Apr. 24, 1924	55,075.90		
First State Bank	Killdeer	Nov. 22, 1920	49,091.29		
First Bank of Kramer	Kramer	Nov. 23, 1923	104,350.15	9,829.91	6,953.55
Farmers State Bank	Lake Williams	June 6, 1926	51,116.46		
Citizens State Bank	Langdon	Oct. 16, 1924	254,839.83		
First State Bank	Lansford	June 2, 1924	100,288.31		
Farmers State Bank	Lawton	Sept. 15, 1924	97,401.25		
Bank of Leal	Leal	Mar. 25, 1922	132,338.83		9,015.45
Farmers & Merchants Bank	Leeds	Sept. 21, 1923	207,427.19		18,656.57

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10% GENERAL DIVIDENDS PAID - CLOSED BANKS-CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Security Bank of Leeds	Leeds	Dec. 18, 1923	46,443.98		
Peoples State Bank	Leith	Feb. 14, 1921	53,450.51	10,086.86	1,291.98
Ransom County Farmers Bank	Lisbon	Nov. 19, 1923	120,626.53		5,183.74
First State Bank	Litchville	Nov. 10, 1923	226,099.91		18,575.54
First State Bank	Lone Tree	Dec. 11, 1922	63,643.93		1,989.11
Loraine State Bank	Loraine	Mar. 29, 1924	57,968.37		
McLeod State Bank	McLeod	Aug. 27, 1926	78,615.45		
State Bank of McVille	McVille	June 24, 1926	144,224.85		
Citizens State Bank	Maddock	Jan. 26, 1924	87,954.20		
Bank of Maida	Maida	Sept. 15, 1924	45,295.02		
Mercer County State Bank	Monnhaven	Feb. 2, 1924	34,690.01		
First State Bank	Manning	Dec. 18, 1923	33,236.39		
The Guaranty State	Mantador	Oct. 6, 1926	50,404.90		
First State Bank	Manvel	Nov. 16, 1925	86,542.28		
Farmers State Bank	Mapes	Mar. 13, 1926	36,739.04		
State Bank of Maxbass	Maxbass	Jan. 25, 1924	62,311.67		
Farmers State Bank	Menoken	Jan. 19, 1924	18,058.19		
Michigan City Bank	Michigan	May 26, 1926	79,110.23		
State Bank of Milton	Milton	Dec. 13, 1920	273,369.70		23,083.22
First Farmers Bank	Minot	Dec. 27, 1920	215,853.68	26,208.77	15,298.92
Scandinavian American Bank	Minot	Oct. 16, 1924	307,456.50		
Mohall Security Bank	Mohall	Dec. 15, 1923	160,521.17		
Mohall State Bank	Mohall	Nov. 24, 1920	592,518.41		13,221.01
Farmers and Merchants Bank	Monango	Mar. 31, 1923	114,705.93		7,105.70
Mountain State Bank	Mountain	Oct. 26, 1925	78,113.34		
Bank of Mowbray	Mowbray	Nov. 30, 1921	35,897.01		1,451.43
Farmers Bank of Munich	Munich	Feb. 17, 1926	237,420.30		
State Bank of Nanson	Nanson	Jan. 24, 1925	52,241.30		
Merchants Bank	Napoleon	Oct. 27, 1926	122,018.53		
Farmers State Bank	Neche	Sept. 22, 1923	40,050.49	2,040.62	2,193.47
State Bank of Newburg	Newburg	Jan. 2, 1924	124,898.05		
New England State Bank	New England	Mar. 31, 1925	46,416.99		
Security State Bank	New England	Nov. 18, 1920	289,941.83		13,956.58
Farmers State Bank	New Leipzig	May 2, 1925	126,957.38		
New Leipzig State Bank	New Leipzig	Aug. 12, 1926	109,919.17		

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10% GENERAL DIVIDENDS PAID - CLOSED BANKS-CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Bank of New Rockford	New Rockford	Jan. 14, 1921	329,306.40		27,303.22
Farmers and Merchants Bank	New Rockford	Aug. 8, 1923	343,427.37		27,299.71
State Bank of New Salem	New Salem	Oct. 16, 1924	336,341.18		
Newville State Bank	Newville	Dec. 11, 1923	25,072.80		
Farmers State Bank	Nome	Nov. 23, 1922	304,645.40		13,552.33
First State Bank	Nome	Jan. 2, 1923	79,208.47		4,201.40
Farmers State Bank	Noonan	Feb. 9, 1925	39,545.69		
Northville State Bank	Northville	Nov. 12, 1926	45,679.78		
First State Bank	Norwich	Oct. 22, 1923	75,027.08		5,556.06
Security Bank of Oberon	Oberon	Jan. 21, 1924	75,060.01		
First State Bank	Olga	Sept. 13, 1924	104,985.85		
State Bank of Olmstead	Olmstead	Oct. 31, 1923	61,211.18		3,071.37
Citizens Bank of Omemee	Omemee	Jan. 26, 1924	122,363.34		
Farmers State Bank	Oriska	Oct. 2, 1923	36,917.39		2,080.62
State Bank of Oriska	Oriska	Aug. 18, 1923	162,574.20	11,380.44	12,872.08
Bank of Orr	Orr	Jan. 19, 1924	114,546.36		
Great Western Bank	Osnabrock	Dec. 14, 1922	116,560.90		2,791.67
Farmers& Merchants Bank-Overley	Overley	Sept. 25, 1923	76,699.08		4,905.66
Bank of Park River	Park River	May 10, 1924	332,955.74		
Bank of Perth	Perth	Mar. 26, 1925	119,306.36		
Towner County Bank	Perth	Oct. 29, 1925	138,256.88		
Pillsbury State Bank	Pillsbury	Jan. 25, 1924	96,768.98		
Citizens State Bank	Pingree	Apr. 13, 1925	112,327.57		6,837.95
First International Bank	Portal	Nov. 16, 1923	113,308.41	21,304.03	7,634.10
Portal State Bank	Portal	April 29,1924	126,977.80		
State Bank of Powers Lake	Powers Lake	Feb. 16, 1926	133,184.94		
Prosper State Bank	Prosper	Feb. 24, 1921	50,088.23	9,105.97	4,909.90
Farmers State Bank	Rawson	Jan. 4, 1924	76,233.92		
Farmers Bank of Ray	Ray	Aug. 9, 1923	210,037.85		6,299.09
Farmers and Merchants Bank	Reeder	Nov. 13, 1924	92,078.85		
Farmers State Bank	Regan	Dec. 15, 1923	96,042.50		
Regent State Bank	Regent	July 12, 1921	86,530.52		3,788.23
Farmers State Bank	Rhame	Nov. 26, 1920	271,263.54		8,334.28
Farmers and Merchants Bank	Robinson	Jan. 18, 1921	82,713.23		5,878.91
State Bank of Rolla	Rolla	Nov. 27, 1923	97,505.62		4,943.22

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10% GENERAL DIVIDENDS PAID - CLOSED BANKS-CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
First State Bank	Ruso	Nov. 2, 1923	84,846.30		2,281.37
First State Bank	Russell	Nov. 26, 1923	46,337.02	2,000.81	1,215.90
First State Bank	Rutland	Oct. 1, 1926	106,287.35		
First State Bank	Ryder	Aug. 4, 1926	59,083.94		
Bank of Sanborn	Sanborn	Feb. 26, 1921	132,991.02		6,886.54
Farmers Exchange Bank	Sanger	Nov. 19, 1925	28,594.14		
American State Bank	Sanish	Aug. 9, 1923	52,863.67		142.00
Farmers State Bank	Sanish	Aug. 9, 1923	119,831.04		1,197.57
First State Bank	Sawyer	Oct. 3, 1921	151,575.02		6,183.59
Sawyer State Bank	Sawyer	July 21, 1921	92,650.11		4,194.49
Farmers & Merchants State Bank	Sherwood	Nov. 26, 1920	114,350.63		
Security State Bank	Sheyenne	Jan. 7, 1924	182,516.96		
Mouse River Valley Bank	Souris	Feb. 25, 1924	91,938.31		
Spring Brook State Bank	Spring Brook	Nov. 26, 1923	34,861.81	Paid in full by Receiver	
First State Bank	Stady	Mar. 31, 1924	62,584.61		
Citizens State Bank	Stanley	Feb. 18, 1926	202,480.96		
Stirum State Bank	Stirum	Nov. 3, 1926	114,169.07		
Farmers State Bank	Strasberg	Jan. 9, 1924	80,705.11		
Citizens State Bank	Tagus	Aug. 9, 1923	112,690.23		2,538.12
Timmer State Bank	Timmer	Feb. 28, 1921	38,411.07	1,172.96	1,584.74
Tolley State Bank	Tolley	Nov. 15, 1920	303,505.58		10,452.58
First State Bank	Tower City	Apr. 16, 1924	23,793.16		
First State Bank	Tower City	Oct. 5, 1923	41,617.05		2,168.22
Towner State Bank	Towner	Jan. 14, 1926	58,790.66		
Trenton State Bank	Trenton	Nov. 26, 1923	16,503.29	Paid if full by Receiver	
Underwood State Bank	Underwood	Nov. 4, 1926	117,865.00		
Scandinavean American Bank	Van Hook	Aug. 9, 1923	168,646.27		154.54
First State Bank	Velva	Oct. 15, 1925	139,513.13		
Merchants State Bank	Velva	May 9, 1924	187,349.13		
Farmers State Bank	Verendrye	Oct. 20, 1926	60,920.57		
Farmers State Bank	Voltaire	Nov. 9, 1923	33,752.43		2,094.31
Wahpeton State Bank	Wahpeton	Oct. 30, 1926	188,760.06		
Farmers State Bank	Walum	June 6, 1921	327,749.81		6,332.49
Farmers and MerchantsBank	Warwick	Jan. 8, 1926	143,096.14		
American Exchange Bank	Watford City	Nov. 27, 1923	37,267.92	5,691.87	2,426.14

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10% GENERAL DIVIDENDS PAID - CLOSED BANKS-CONTINUED

NAME OF BANK	ADDRESS	DATE OF CLOSING	DEPOSITS AT CLOSING	AMOUNT PAID BY RECEIVER ON GUARANTEED DEPOSITS	10% GENERAL DIVIDENDS PAID DEPOSITORS
Farmers State Bank	Watford City	Dec. 13, 1923	107,389.83		
McKenzie Co. State Bank	Watford City	July, 7, 1921	124,508.48		7,724.28
First State Bank	Werner	Jan. 11, 1926	72,620.04		
Merchants State Bank	Werner	Sept. 27, 1923	84,623.88		2,491.15
Farmers State Bank	Wheatland	Nov. 19, 1925	53,717.19		
Farmers State Bank	Wildrose	June 2, 1924	94,940.09		
First State Bank	Wildrose	Sept. 13, 1924	142,729.42		
Williams County Bank	Williston	June 12, 1923	680,974.44		29,454.21
Williston State Bank	Williston	Apr. 4, 1921	289,496.69		14,783.67
Burleigh County State Bank	Wing	Dec. 16, 1925	79,218.59		
State Bank of Wolford	Wolford	Dec. 28, 1923	180,175.00		
Bank of Wyndmere	Wyndmere	Nov. 11, 1926	280,231.12		
TOTALS			31,686,990.84	239,716.55	791,686.92

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