



OFFICE OF THE ATTORNEY GENERAL OF TEXAS
AUSTIN

GERALD C. MANN
ATTORNEY GENERAL

Honorable F. C. Branson
Commissioner, Department of Banking
Austin, Texas

Dear Sir:

Opinion No. O-1920
Re: S. B. 268, 46th Leg. --
Morris Plan Bank --
Adopting powers conferred
by S. B. 268 -- Case con-
sidered.

We have your letter of January 30, 1940, as fol-
lows:

"I hand you herewith the following:

"1. Certified copy of the resolu-
tion of the Board of Directors of the
Merchants & Employes Industrial Bank,
calling a meeting of the stockholders
of that corporation for the purpose of
considering the proposition of adopting
the powers provided for under S. B. No.
268, 46th Legislature, Acts of 1939.

"2. A copy of waiver of notice
of this meeting executed by all stock-
holders of said corporation.

"3. A certified copy of the reso-
lution of the stockholders of the Mer-
chants & Employes Industrial Bank,
adopting the powers provided for under
S. B. No. 268.

"4. An affidavit of all the stock-
holders of the Merchants & Employes In-
dustrial Bank to the effect that the en-

ture amount of said capital stock of said corporation was subscribed and actually paid in in cash.

"5. A certificate of the Merchants & Employees Industrial Bank certifying the adoption of the additional powers as provided for under S. B. No. 268, being a copy of the certificate of authority executed by me as Banking Commissioner of this State, certifying that the Merchants & Employees Industrial Bank is duly incorporated, and is entitled to exercise, not only the powers granted to it under its original charter, but in addition thereto, all the powers provided for under S. B. 268.

"I have made the investigation and conclude that the entire amount of the capital stock of said Bank has been paid in in full in cash.

"In the light of the above and foregoing, I respectfully submit the following questions:

"1. Has the Merchants & Employees Industrial Bank effectively adopted the additional powers provided for and authorized under S. B. No. 268, 46th Legislature, Acts of the Legislature of the State of Texas, Amendatory of Article 545, Section 2, Title 16, of the Revised Statutes of Texas?

"2. Is the Merchants & Employees Industrial Bank, having adopted these powers, a bank authorized to receive deposits?"

We have examined the instruments referred to in your letter and attached as exhibits thereto, and find the same to be in proper form and altogether sufficient for the purposes intended.

This department is of the opinion Merchants & Employees Industrial Bank has effectively adopted the additional powers provided and authorized to so-called Morris Plan Banks under S. P. 268, 46th Legislature.

The department is further of the opinion that the Merchants & Employees Industrial Bank having adopted these powers is not a legally organized bank under the laws of this State, with power, among others, "to receive money on time deposits."

Trusting that this will have answered your questions satisfactorily, we are

Yours very truly

ATTORNEY GENERAL OF TEXAS

By

Ocie Speer
Ocie Speer
Assistant

OS-MR

APPROVED FEB 5, 1940

Gertrude Mann
ATTORNEY GENERAL OF TEXAS

