

of deposit may be made negotiable while a passbook ordinarily is not. It differs from the ordinary checking or passbook account in that a deposit evidenced by a certificate of deposit is not subject to withdrawal by the issuance of checks. Another difference is that while banks sometimes pay interest on daily balances or average balances, a deposit evidenced by a certificate of deposit usually must remain for the time stated in the certificate before any interest is payable thereon.

The general authority to deposit idle funds by building and loan associations is found in the first part of Section 9661, General Code, supra, which reads:

“To deposit any of such funds or part thereof, in any financial institution that is subject to inspection by the United States, or the State of Ohio;
* * * ”

After the semicolon the following appears:

“and receive therefor certificates of deposit.”

The phrase last above quoted is separated from the preceding language by a semicolon. It does not modify or limit the language preceding it but is an additional grant of power. In other words, Section 9661, General Code, authorizes a building and loan association to deposit its idle funds in any financial institution subject to inspection by the United States or the State of Ohio, and further authorizes it to receive certificates of deposit for said deposits, if desired.

In view of the foregoing, it is my opinion that a building and loan association may deposit its idle funds in any financial institution that is subject to inspection by the United States or the State of Ohio and receive a passbook as evidence of such deposit.

Respectfully,
EDWARD C. TURNER,
Attorney General.

1871.

APPROVAL, BONDS OF THE VILLAGE OF BEXLEY, FRANKLIN COUNTY—\$61,000.00.

COLUMBUS, OHIO, March 19, 1928.

Industrial Commission of Ohio, Columbus, Ohio.

1872.

APPROVAL, NOTES OF PHILOTHEA SPECIAL RURAL SCHOOL DISTRICT, MERCER COUNTY—\$16,000.00.

COLUMBUS, OHIO, March 19, 1928.

Retirement Board, State Teachers Retirement System, Columbus, Ohio.