

securities taken are only substituted for the original securities and not taken in satisfaction of the debt due the subdivision, and that such subdivision shall have the same rights against the bank which it would have had, had no exchange of securities been made.

I am of the opinion therefore that,

1. Bonds authorized by the Home Owners' Loan Act of 1933 may be accepted from a depository bank in exchange for first mortgages held by a county, municipality, township or school district as security for the deposit of its public funds only when such bank has defaulted in its depository contract and when the county commissioners, council, township trustees or board of education have determined such action to be advisable with a view to conserving the value of such mortgages for the benefit of such subdivision and for the benefit of the depositors, creditors and stockholders or other owners of such bank.

2. When such exchange has taken place, the same rights exist as to such bonds as existed with reference to the mortgages exchanged.

Respectfully,

JOHN W. BRICKER,
Attorney General.

1541.

APPROVAL, NOTES OF PARKMAN RURAL SCHOOL DISTRICT,
GEAUGA COUNTY, OHIO—\$6,106.00.

COLUMBUS, OHIO, September 11, 1933.

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

1542.

APPROVAL, NOTES OF ISLAND CREEK TOWNSHIP RURAL SCHOOL
DISTRICT, JEFFERSON COUNTY, OHIO—\$4,968.00.

COLUMBUS, OHIO, September 11, 1933.

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

1543.

APPROVAL, BONDS OF CUYAHOGA FALLS CITY SCHOOL DISTRICT,
SUMMIT COUNTY, OHIO—\$1,000.00.

COLUMBUS, OHIO, September 12, 1933.

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