

1284.

APPROVAL, BONDS OF JACKSON TOWNSHIP RURAL SCHOOL DISTRICT, HARDIN COUNTY, \$2,690.28, TO FUND CERTAIN INDEBTEDNESS.

COLUMBUS, OHIO, March 19, 1924.

Department of Industrial Relations, Industrial Commission of Ohio, Columbus, Ohio.

1285.

APPROVAL, BONDS OF HOLLOWAY VILLAGE SCHOOL DISTRICT, BELMONT COUNTY, \$2,282.22, TO FUND CERTAIN INDEBTEDNESS.

COLUMBUS, OHIO, March 19, 1924.

Department of Industrial Relations, Industrial Commission of Ohio, Columbus, Ohio.

1286.

BUILDING AND LOAN ASSOCIATIONS—AUTHORITY OF SUPERINTENDENT TO REQUIRE REPORT FROM RECEIVER—SECTION 683 G. C. CONSTRUED.

COLUMBUS, OHIO, March 19, 1924.

SYLLABUS:

Under the provisions of section 683, General Code, as amended in 110 O. L., p. 64, the Superintendent of Building and Loan Associations has authority to require from the receiver of a building and loan association that is being liquidated, a report as of the close of the fiscal year of such respective association, in the same manner as other associations are required under said section to report.

HON. J. W. TANNEHILL, *Superintendent, Building and Loan Associations, Columbus, Ohio.*

DEAR SIR:—Acknowledgment is hereby made of receipt of your recent communication which reads as follows:

“The last sentence of section 683 of the General Code effective July 3, 1923, provides that:

‘Where an association is in process of liquidation the liquidating officer or officers shall make all reports to the Superintendent of Building and Loan Associations that are required by law from solvent associations.’

Under this provision, has this department authority to require the receiver of those associations now being liquidated by receiver to make reports to this department as of the close of fiscal year of such respective associa-

tions in the same manner as other associations are required under this section to report to this department?

As there are a number of instances which would be immediately affected by your ruling, we ask that you give this matter your early attention."

The duties of the Superintendent of Building and Loan Associations in regard to his annual report to the governor are defined in section 695 of the General Code as amended in 110 O. L., p. 64, which amended section reads as follows:

"The Superintendent of Building and Loan Associations shall keep and preserve in permanent form a full record of his proceedings, including a concise statement of each association examined, and make an annual report to the governor of the general conduct and condition of the building and loan associations doing business in this state, with such suggestions as he may deem proper. The report shall include such information contained in the statements required of the associations as he may deem necessary. He shall also include in said report a statement of the building and loan associations whose business has been closed during the year, the amount of their assets and liabilities, and the amount paid to the creditors thereof. He shall also include a statement of the building and loan associations liquidated or in the process of liquidation and the status of the affairs of each of such building and loan associations at the time of said report, including the amount of their assets and liabilities and the nature of the same and the amounts paid to the creditors. He shall report the names and compensation of the clerks employed by him, the whole amount of income of his office, the source thereof, and the expenditures of his department during the year ending the thirtieth of June."

It is evident, in order for the Superintendent to comply with the requirements of this section, namely, "to keep and preserve * * * a full record, * * * and make an annual report to the governor of the general conduct and condition of the building and loan associations doing business in this state * * * and include such information as is contained in the statements required of the associations as he may deem necessary. * * * Also a statement of * * * the associations whose business has been closed during the year, the amount of their assets and liabilities, and the amount paid to creditors thereof. Also * * * a statement of the * * * associations liquidated or in process of liquidation and the status of the affairs of each of * * * associations, at the time of said report, including amount of assets and liabilities," that said Superintendent must obtain the foregoing information from examination of said associations and from their reports made to him.

In order that he may obtain said information to be used in his annual report, and to enable him to efficiently perform his duties, he is given authority by statute to require and enforce the making and filing of such reports by said associations.

An annual report by said associations and the form of said report are provided for by sections 682 and 683 of the General Code as amended in 110 O. L., p. 64, which read as follows:

Section 682:

"Every building and loan association doing business in this state, annually at the end of each fiscal year or within forty days thereafter shall make a full and detailed report in writing of the affairs and business of the

association for the preceding year, showing its financial condition at the end thereof."

Section 683:

"The report required in the preceding section shall be in such form and contain such information as is prescribed by the Superintendent of Building and Loan Associations. It shall be sworn to by the secretary and its correctness attested by at least three directors or an auditing committee appointed by the board. The original shall be filed with the Superintendent of Building and Loan Associations within forty days after the close of the fiscal year. Such an abstract thereof as the superintendent requires shall be posted for sixty days in the office or meeting place of such association and a statement of assets and liabilities shall be published in a newspaper or periodical, regularly issued and of general circulation in the county in which such association is located. Where an association is in process of liquidation the liquidating officer or officers shall make all reports to the Superintendent of Building and Loan Associations that are required by law from solvent associations."

It is clear from the foregoing sections that it is mandatory upon all solvent building and loan associations, at the end of each fiscal year, to make a full and detailed report in writing of the affairs and business of the association, showing its financial condition at the end thereof.

It is equally clear that in order for the Superintendent of Building and Loan Associations to include in his annual report to the governor a statement of the associations liquidated or in process of liquidation, showing the condition of their affairs, that he must have a report of the condition of said associations. This report must necessarily come from the liquidating officer, who in the cases you mention, is the receiver of said associations, appointed under the provisions of sections 686 and 687 of the General Code.

It is expressly provided in section 683 as amended in 110 O. L., p. 64, that:

"* * * Where an association is in process of liquidation the liquidating officer or officers shall make all reports to the Superintendent of Building and Loan Associations that are required by law from solvent associations."

It is evident that the legislature intended to provide, and in the above paragraph in said amended section 683, did provide for the very cases which are mentioned in your inquiry.

A receiver is appointed by the court and ordinarily would only be required to make his reports to the court appointing him; but the receiver of a building and loan association, being the liquidating officer, is expressly required, in addition to his ordinary duties, to make all reports to the Superintendent of Building and Loan Associations that are required by law from solvent associations.

You are therefore advised that under the provisions of section 683 as amended in 110 O. L., p. 64, your department has authority to require from the receiver of a building and loan association that is being liquidated, a report as of the close of the fiscal year of such respective association, in the same manner as other associations are required, under said section, to report to your department.

Respectfully,

C. C. CRABBE,
Attorney General.