

**Opinion No. 13-1098**

September 4, 1913

**BY:** FRANK W. CLANCY, Attorney General

**TO:** State Corporation Commission, Santa Fe, New Mexico.

**BUILDING & LOAN ASSOCIATIONS.**

Distinction between building and loan associations, and those doing business under the general corporation law.

**OPINION**

{\*272} I have received your letter of even date herewith, relative to the National Mercantile Company, Limited, together with a copy of their contract and other printed matter, and you ask whether this concern can be admitted under the provisions of the general incorporation act, or should it be required to conform to the provisions of the law affecting foreign building and loan associations.

From an examination of the contract proposed by this company, I am unable to find anything which would substantially distinguish it from the contract and method of doing business of the Standard Home Company, which was refused admission to do business here under the general corporation law, on the ground that it was essentially a building and loan association. That company made an attempt, through the courts, to compel its admission to do business without success, the Supreme Court of the state having affirmed the decision of the District Court on the 26th of last month. The clerk of the Supreme Court tells me that he will send to you for your files a copy of the opinion of the court in that case.

I am therefore compelled to say that the National Mercantile Company, Limited, should not be admitted to do business, except as a foreign building and loan association.

I return herewith the enclosure sent with your letter.