

Opinion No. 13-1115

September 30, 1913

BY: FRANK W. CLANCY, Attorney General

TO: State Corporation Commission, Santa Fe, N. M.

BUILDING & LOAN ASSOCIATIONS.

Shares in building and loan association must be of par value of \$ 200.

OPINION

{*292} I have received your letter of even date herewith, enclosing another from Mr. Hiram M. Dow, of Roswell, as to which you ask my opinion.

Mr. Dow asks two questions -- the first of which is as to whether the shares of stock in a proposed building and loan association can be of the par value of \$ 100.00 a share or whether they must be \$ 200.00 a share. Mr. Dow calls attention to Section 497 of the Compiled Laws of 1897, which provides that the shares of stock of such corporations shall be not less than \$ 200.00 each, and then says that there is a later law, which repeals this section by implication, which provides that the shares of stock shall be not less than \$ 100.00 each. He gives no reference to the later law, to which he refers, and I am unable to find it. The nearest approach to anything of the kind, which I have discovered, is in Section 25 of Chapter 52 of the Laws of 1903, but that refers only to a new corporation created by a re-incorporation of a building and loan association and has no reference to the building and loan association itself. It is possible that I may have overlooked something and I would like for Mr. Dow to give me a reference to the statute to which he refers.

{*293} Mr. Dow also asks, in effect, whether he can proceed in preparing certificate of incorporation for a building and loan association under the corporation act of 1905, the answer to which is to be found in Section 5 of that act, which authorizes incorporation thereunder for any lawful purpose except certain enumerated kinds of corporations, among which are building and loan associations. This appears to leave the acts as to the incorporation of such associations in full force.

I return Mr. Dow's letter herewith.