

M O N cable to Nacitco NY 7 pm Wed Feb 2:

2 Refer to your cable No.12

Article 4 mortgage associations by-laws makes members jointly and severally liable for all debts of association to amounts corresponding to 100% of appraised value of mortgaged real estate Stop

Article 12 of by-laws limits loans to 55% of appraised value stone buildings but only 45% for wooden buildings, and stipulates mortgages to be 10% greater, e.g. 55,000 mortgage for 50,000 loan.

Article 7 by-laws stipulates bond loans must be approved by government and all associations debts must not exceed 10 times basic government fund plus associations reserve.

Article 8 stipulates bond loans to be specifically secured by mortgage collateral to be deposited with government Stop

Oct.26 bill re government contribution 100 Mill Fmks government bonds became law Jan. 8 after addition stipulation that at least one-third of mortgage associations board of governors to be appointed by the government Stop

For your own information, Government will appoint one director of Finlands Bank, Burgomaster of Helsingfors and Permanent Secretary Ministry of Commerce Stop After preliminary inspection by government associations by-laws printed today; follows by next mail

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