

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 827

S. P. 279

In Senate, February 14, 1973

Referred to the Committee on Business Legislation. Sent down for concurrence and ordered printed.

HARRY N. STARBRANCH, Secretary

Presented by Senator Aldrich of Oxford.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-THREE

AN ACT to Prohibit Interlocking Directorates in Banking Institutions.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. R. S., T. 9, § 472, sub-§ 2, repealed and replaced. Subsection 2 of section 472 of Title 9 of the Revised Statutes is repealed and the following enacted in place thereof:

2. **Residency; prohibitions.** No person shall be a trustee of a savings bank if he is not a resident of this State, or is a trustee, director, officer or employee of any other financial institution, credit union, federal credit union, national bank, bank holding company or subsidiary of a bank holding company.

Sec. 2. R. S., T. 9, § 1041, amended. Section 1041 of Title 9 of the Revised Statutes, as amended, is further amended by adding at the end a new paragraph to read as follows:

No person shall be a director of a trust company if he is a trustee, director, officer or employee of any other financial institution, credit union, federal credit union, national bank, bank holding company or subsidiary of a bank holding company, except that directors, officers and employees of subsidiaries of bank holding companies may also be directors, officers or employees of parent bank holding companies.

STATEMENT OF FACT

The purpose of this bill is to prohibit interlocking directorates in banking institutions.