

MAINE STATE LEGISLATURE

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CHAPTER 145

POWERS

Sec.

1631. Express, implied and incidental.

1632. Specific.

§ 1631. **Express, implied and incidental**

Every association now existing or hereafter created shall have all of the powers conferred by chapters 141 to 167, both expressed and implied, and such others as are incidental thereto, and incidental or necessary to the operation of its business and the attainment of its purposes. Such powers shall be exercised in conformity with chapters 141 to 167.

1961, c. 198, § 1.

§ 1632. **Specific**

Without in any way limiting the general powers provided in section 1631, every association shall have power to:

1. **Perpetual succession.** Have perpetual succession by its corporate name unless otherwise limited by its certificate of incorporation;

2. **Sue and be sued.** Sue and be sued, complain and defend, in any court of law;

3. **Seal.** Adopt and use a common seal and alter the same;

4. **Hold property.** Purchase and otherwise acquire, hold, manage, mortgage, pledge, lease, exchange, sell, convey and otherwise dispose of, any real and personal property, necessary or incidental to its operations and consistent with its powers and purposes;

5. **Insurance.** Insure its members' accounts with the Federal Savings and Loan Insurance Corporation or any other firm, association or corporation approved by the commissioner, and comply with conditions necessary to obtain such insurance;

6. **Member of Federal Home Loan Bank.** Become a member of or a stockholder in a Federal Home Loan Bank and to that end comply with all conditions of membership therein;

7. **Cooperative league.** Join any cooperative league organized for the purpose of protecting and promoting the welfare of

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associations and their members and comply with all conditions of membership therein;

8. Donations. Make donations for the public welfare or for charitable, scientific or educational purposes;

9. Borrowing. Borrow money from any source in or out of the State, on the note, bond and mortgage or other obligation of the association upon such terms and conditions as the board of directors may from time to time prescribe by resolution adopted by at least a majority of all the members of the board and duly recorded on the minutes and to pledge, assign or transfer mortgages owned by the association and the obligations secured by such mortgages, together with the shares, if any, pledged as collateral security therefor, or any real or other personal property, as security for the repayment of money so borrowed. No association, without the written consent of the commissioner, shall borrow any sum or sums the aggregate of which would exceed 25% of its total assets;

10. Expenses; service charge. Take from its members all expenses incurred in connection with the consummation of a loan and in addition thereto, a service charge, premium or fee for priority or privilege of loan or acquisition of real estate and no such expense, service charge, premium or fee so taken shall be deemed usurious;

11. Fines. Impose fines or charges upon a member for failure to make any payment to the association when due, but such fine or charge shall not exceed 2% a month on each dollar in arrears. None of such charges shall be deemed usurious;

12. Agent. Act as agent for any person where such agency will further the interests of the association and its members, subject to such limitations as may be prescribed by the commissioner;

13. Retirement benefits. Adopt, alter, contract for or rescind a plan or plans providing for the retirement of its officers, employees and their dependents and the payment to them for life or for a period certain such retirement benefits as may be set forth in a plan or plans adopted by the board of directors;

14. Loans and investments. Make loans and investments as authorized in chapters 141 to 167;

15. Rate of interest. Determine the rate of interest to be charged on loans made by the association as authorized in chapters 141 to 167;

16. Indemnify against judgments. Indemnify every officer, director or employee, his heirs, executors and administrators, against judgments resulting from and the expenses reasonably incurred by him in connection with any action to which he may be made a party by reason of his being an officer, director or employee, including any action based upon any alleged act or omission on his part as an officer, director or employee, except in relation to matters as to which he shall be finally adjudged in such action to be liable for his negligence or misconduct, and except that, in the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the association is advised by counsel that in the opinion of counsel the person to be indemnified was not liable for such negligence or misconduct. The foregoing right of indemnification shall not be exclusive of other rights to which such officers, directors or employees may be entitled.

1961, c. 198, § 1.