

MAINE STATE LEGISLATURE

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CHAPTER 249

LOANS AND PAYMENTS

Sec.

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§ 2761. Shares and loans

Subject to section 2643, a credit union may receive savings of its members in payment for shares and may lend to its members at reasonable rates or invest, as provided, the funds so accumulated. It may undertake such other activities relating to the purposes of the association as its bylaws may authorize.

R.S.1954, c. 55, § 6.

§ 2762. Shares not taxable

Credit union shares of corporations organized under chapters 241 to 251 shall be tax exempted and no taxes or charges, except as otherwise provided, shall be assessed against them.

R.S.1954, c. 55, § 27.

§ 2763. Minors

Shares may be issued in the name of a minor, and such shares may, in the discretion of the directors, be withdrawn by such minor or by his parent or guardian and, in either case, payments made on such withdrawals shall be valid and shall release the corporation from liability to the minor, parent or guardian in respect to such shares. A minor under 18 shall not have the right to vote.

R.S.1954, c. 55, § 11.

§ 2764. Applications

All applications for loans shall be made in writing and shall state the purpose for which the loan is desired and the security, if any, offered.

The form of application for a loan to be secured by a mortgage of real estate shall contain:

1. **Date.** The date;
2. **Name.** The name of the applicant;
3. **Name of spouse.** The name of the husband or wife of the applicant, if any;
4. **Amount of loan.** The amount of loan desired;
5. **Value of real estate.** Assessed value of the real estate in question;
6. **Balance of mortgage.** A statement of all balances due of any mortgages outstanding against said real estate;
7. **Income from real estate.** The income from said real estate;
8. **Description of real estate.** A description of said real estate;
9. **Other information.** Such other information as the board of directors may require.

R.S.1954, c. 55, § 22.

§ 2765. Types of loans

A credit union may make loans to members, subject to the following limitations:

1. **Unsecured loans.** Unsecured loans may be made up to \$200 or 10% of share capital, whichever is greater, but in no event in excess of \$750.
2. **Secured loans.** Secured loans may be made up to \$200 or 10% of share capital, whichever is greater, provided that the loan is adequately secured by a chattel mortgage or conditional sales contract on personal property or by the endorsement or guaranty of a responsible surety. Loans fully secured by a pledge of shares of the credit union may be made without limitation as to amount.
3. **Secured by first mortgage on real estate.** Loans secured by a first mortgage on real estate within the State may be made subject to the following restrictions:
 - A. The total liability of any member upon loans of this class shall not exceed 10% of the share capital of the credit union, nor shall it exceed \$15,000.
 - B. No such loan shall exceed 66⅔% of the value of the property mortgaged, as determined by the credit committee,

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except that this provision shall not apply to real estate loans insured by the Federal Housing Administration.

C. The total amount which a credit union may invest in loans secured by first mortgages of real estate shall not exceed 25% of its share capital.

R.S.1954, c. 55, § 23; 1961, c. 147, § 7.