

MAINE STATE LEGISLATURE

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STATE OF MAINE
DEPARTMENT OF THE ATTORNEY GENERAL
AUGUSTA

May 1, 1934

Federal Deposit Insurance Corporation
Washington, D. C.

Gentlemen: Attention L. E. Birdzell, General Counsel

In response to your communications relating to the insurance of deposits, I am pleased to inform you, in answer to your Question 1, that Chapter 288 and 289 of the Public Laws of Maine, 1933, permit trust companies and mutual savings banks, organized or doing business under the laws of the State of Maine, to purchase Class A stock of the Federal Deposit Insurance Corporation and assume the obligations incident to the ownership of such stock.

Answering question 2, I have to inform you that the laws of our state do not specifically authorize the appointment of the Federal Deposit Insurance Corporation as receiver of a trust company or a mutual savings bank in the event the bank should be closed on account of inability to meet demands of depositors; nor does our law deny the right of the Corporation to be so appointed. In any given case, the appointment of a receiver rests with the court, and the court may or may not, in its discretion, appoint the Corporation as receiver.

I am unable to give you a definite answer to your question 3, because I do not have any information as to the right of the Corporation to receive dividends on the same basis as in the case of a closed national bank. It occurs to me that it is probable that in case of liquidation the Corporation would have no preference over other creditors, and in case it was found advisable for the Corporation to have preference over other creditors, it seems to me that legislation to that effect might be necessary.

I am enclosing a copy of our banking laws containing the afore-said sections for your consideration.

Trusting that the foregoing, with enclosure, will give you the information you desire, I am

Very truly yours,

Deputy Attorney General

SLB H