

MAINE STATE LEGISLATURE

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STATE OF MAINE

REPORT

OF THE

ATTORNEY GENERAL

for the calender years

1961 - 1962

except upon the written authorization of the Bank Commissioner, or
.....”

This clause differentiates between *cost* and *book value*. When circumstance requires, the Bank Commissioner may approve the increased *book value* to be entered upon the records, but until that time the asset shall be carried at its *cost* figure.

We feel that a careful reading of sections 19-J, I, III, and second paragraph of IV, bears out this opinion as to the method of recording such swaps on the books of the bank. By these provisions a bank is to record its financial transactions so as to accurately and promptly reflect its condition and earnings.

GEORGE C. WEST

Deputy Attorney General

October 24, 1961

To: Irl E. Withee, Deputy Commissioner of Banks and Banking

Re: Proposed Program of Cambridge Consultants, Inc.

We have your request for an opinion dated October 19, 1961 with regard to the proposed program of Cambridge Consultants, Inc. This program would make available to Maine industry additional banking services. The proposed services will be taken up in the order in which they were presented to us.

1. It is not a violation of the banking law in a program by which a registered bank places racks containing bank-by-mail materials in or on the company premises.

2. It is not a violation of the banking law for a bank to make such materials available to a company through specified personnel within that company.

3. It is not a violation of the banking law for banks to give preferred rates for loans and other bank services to long-term employees.

4. It is not a violation of the banking law for a bank to give financial counseling to company employees either at the employee's home, at the bank, or via the telephone.

5. It is not a violation of the banking law for company employees to serve as "plan advisers" whose function would be to answer questions about the plan.

6. It is not a violation of the banking law for the company to be authorized by the employee to make payroll deductions for transmittal to the bank.

7. We do not at this time feel that we can approve a service by which the bank would take over payroll functions of the company. This office feels that a more thorough study of this question would be warranted before any conclusion can be drawn. For this reason, we neither approve nor disapprove of this proposal.

8. It is not a violation of the banking law for a bank to give away an inexpensive item to each employee opening an account.

An opinion with regard to item No. 7 above will be issued as soon as the necessary research has been done.

THOMAS W. TAVENNER

Assistant Attorney General