

# MAINE STATE LEGISLATURE

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(New Title)  
NEW DRAFT OF: S. P. 45, L. D. 35

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ONE HUNDRED AND THIRD LEGISLATURE

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**Legislative Document**

**No. 835**

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S. P. 325

In Senate, February 14, 1967

Reported by Senator MacLeod of Penobscot from Committee on Business  
Legislation and printed under Joint Rules No. 18.

JERROLD B. SPEERS, Secretary

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SIXTY-SEVEN

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**AN ACT Relating to Certain Participation Loans by Savings Banks.**

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

**R. S., T. 9, § 557, additional.** Title 9 of the Revised Statutes is amended by adding a new section 557, to read as follows:

**§ 557. Participation loans with governmental agency**

A savings bank may purchase participations in loans, in which the United States or any instrumentality thereof participates, which qualify as a legal loan for savings banks under any provision or combination of provisions of this Title and in applying any limitations as to the maximum amount of a loan with reference to the appraised or market value of any security offered, a savings bank may deduct from the amount of the loan, as written, any portion thereof which is subordinated by the United States or any instrumentality thereof to the portions thereof loaned by said savings bank. Not more than 1% of the deposits of the bank shall be loaned within the coverage of this section.