

MAINE STATE LEGISLATURE

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ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 1464

H. P. 1002

House of Representatives, March 8, 1967

Referred to Committee on Judiciary. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Foster of Mechanic Falls.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-SEVEN

AN ACT to Permit Savings and Loan Associations and Savings Banks to Consolidate.

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

Sec. 1. R. S., T. 9, § 732, additional. Title 9 of the Revised Statutes is amended by adding a new section 732, as follows:

§ 732. Savings bank and savings and loan association

Any savings bank organized under the laws of this State may consolidate with a savings and loan association existing under the laws of this State, under such terms as shall be mutually agreed upon by the trustees of the savings bank and the directors of the savings and loan association when approved by $\frac{2}{3}$ of all the corporators of the savings bank and $\frac{2}{3}$ of all the members of the savings and loan association, after notice of such intention shall have been sent by mail to each corporator of the savings bank and each member of the savings and loan association, and after such notice shall have been published once a week for 3 successive weeks in one of the newspapers, if any, published in the municipalities where the savings bank's and the savings and loan association's principal offices are located, otherwise in such newspapers as the commissioner may order, the last notice published and the notices by mail to be sent at least 14 days prior to the date of the meeting named in the call. Any shareholder of an association not present at the meeting in person shall be regarded as having voted for the transfer or consolidation and shall be counted as being among the required $\frac{2}{3}$ affirmative vote, provided notice of this fact shall be contained in the notices so mailed and in the publications so published. Such transfer or consolidation shall not prejudice the right of any creditor of any savings bank or savings and loan association to have payment of his debt

out of the assets thereof, nor shall any creditor be thereby deprived of, or prejudiced in, any right of action then existing against the officers, directors or trustees of said savings bank or savings and loan association for any neglect or misconduct. The reorganized savings and loan association shall be liable for all obligations of the savings bank and savings and loan association existing prior to such consolidation and no such consolidation or transfer as provided shall take effect until the terms and conditions have been approved by the commissioner as hereinafter set forth.

The terms and conditions of the transfer and consolidation shall be set forth in an agreement signed by the duly authorized officers of the savings bank and savings and loan association and under the respective seals of said corporations and shall provide for the mode of carrying the same into effect, when the consolidation shall be effective, the manner of converting the accounts of the savings bank into shares and accounts of the savings and loan association, together with such other provisions and details as shall be necessary to perfect the consolidation. After the meeting of the corporators of the savings bank and the members of the savings and loan association, as provided for have been held, then that fact shall be certified on said agreement by the secretary of the savings bank and the savings and loan association and the agreement so signed, adopted and certified, shall be approved by the commissioner in duplicate, one copy for the savings bank and one copy for the savings and loan association. A copy thereof, certified by the commissioner, shall be filed in his office within 30 days after the day of the meeting at which said agreement is adopted by the corporators of the savings bank and the members of the savings and loan association. From the time of filing the copy of such agreement with the commissioner, said agreement shall thenceforth be taken and deemed to be the agreement and act of consolidation of said constituent corporation for all purposes of the laws of this State.

Sec. 2. R. S., T. 9, § 1872, additional. Title 9 of the Revised Statutes is amended by adding a new section 1872, as follows:

§ 1872. Association and savings bank

Any organization organized under the laws of this State may consolidate with a savings bank existing under the laws of this State, under such terms as shall be mutually agreed upon by the directors of the association and the trustees of the savings bank when approved by $\frac{2}{3}$ of all the members of the association and $\frac{2}{3}$ of all the corporators of the savings bank, after notice of such intention shall have been sent by mail to each member of the association and each corporator of the savings bank and after such notice shall have been published once a week for 3 successive weeks in one of the newspapers, if any, published in the municipalities where the association's and savings bank's principal offices are located, otherwise in such newspapers as the commissioner may order; the last notice published and the notices by mail to be sent at least 14 days prior to the date of the meeting named in the call. Any shareholder of an association not present at the meeting in person shall be regarded as having voted for the transfer or consolidation and shall be counted as being among the required $\frac{2}{3}$ affirmative vote, provided notice of this fact shall be contained in the notices so mailed and in the publications so published. Such transfer or

consolidation shall not prejudice the right of any creditor of any association or savings bank to have payment of his debt out of the assets thereof, nor shall any creditor be thereby deprived of, or prejudiced in, any right of action then existing against the officers, directors or trustees of said association or savings bank for any neglect or misconduct. The reorganized savings bank shall be liable for all obligations of the association and savings bank existing prior to such consolidation and no such consolidation or transfer as provided shall take effect until the terms and conditions have been approved by the commissioner as hereinafter set forth.

The terms and conditions of the transfer and consolidation shall be set forth in an agreement signed by the duly authorized officers of the association and savings bank and under the respective seals of said corporations, and shall provide for the mode of carrying the same into effect, when the consolidation shall be effective, the manner of converting the shares and accounts of the association into accounts of the savings banks, together with such other provisions and details as shall be necessary to perfect the consolidation. After the meeting of the members of the association and the corporators of the savings banks, as provided for have been held, then that fact shall be certified on said agreement by the secretary of the association and the savings bank and the agreement so signed, adopted and certified, shall be approved by the commissioner in duplicate, one copy for the association and one copy for the savings bank. A copy thereof, certified by the commissioner, shall be filed in his office within 30 days after the day of the meeting at which said agreement is adopted by the members of the association and the corporators of the savings bank. From the time of filing the copy of such agreement with the commissioner, said agreement shall thenceforth be taken and deemed to be the agreement and act of consolidation of said constituent corporation for all purposes of the laws of this State.