

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 1404

H. P. 1081

House of Representatives, March 8, 1973

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

E. LOUISE LINCOLN, Clerk

Presented by Mr. Trask of Milo.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-THREE

AN ACT Permitting Savings Banks to Indemnify its Trustees, Officers and Employees.

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

R. S., T. 9, § 472, sub-§ 7, amended. Subsection 7 of section 472 of Title 9 of the Revised Statutes, as amended by section 8 of chapter 401 of the public laws of 1969, is further amended by adding a new paragraph to read as follows:

A savings bank may make provisions to indemnify its trustees, officers, employees and agents and to purchase and maintain insurance on behalf of any such person pursuant to Title 13-A, section 719. For the purposes of this Title, the word "directors" in Title 13-A, section 719 shall mean trustees and the word "officers" in Title 13-A, section 719 shall mean a person who is or was an officer of a savings bank pursuant to section 473.

STATEMENT OF FACT

Under present Maine law a savings bank cannot indemnify its trustees, as all other Maine corporations with shares may, under Title 13-A, section 719. The reason for this is that a mutual savings bank does not issue shares. This amendment would give savings banks the same authority in this regard as all other corporations presently possess.