

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

---

---

ONE HUNDRED AND EIGHTH LEGISLATURE

---

---

Legislative Document

No. 324

H. P. 255

House of Representatives, February 9, 1977

Referred to the Committee on Business Legislation. Sent up for concurrence and 1,800 copies ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Higgins of Scarborough.

---

---

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-SEVEN

---

**AN ACT to Amend the Savings and Loan Association Law.**

---

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

Sec. 1. 9-B MRSA § 325, sub-§ 5, 1st sentence, as enacted by PL 1975, c. 500, § 1, is amended to read:

Bylaws may be amended and added to by the incorporators or members or **directors** of the institution except to the extent limited by the articles of incorporation or unless such power has been reserved by the articles of incorporation or granted by the incorporators to the board of directors.

Sec. 2. 9-B MRSA § 343, sub-§ 3, as enacted by PL 1975, c. 500, § 1, is repealed and the following enacted in its place:

3. **Vote of stockholders, incorporators or members.** The conversion plan, as approved by the superintendent, shall be submitted to the stockholders, incorporators or members for their approval at an annual meeting or at a special meeting called for that purpose, pursuant to the requirements of section 352, subsection 3 or section 353, subsection 3, with that information in the notice as the superintendent may prescribe. Approval shall require a majority vote of all of those entitled to vote thereon. For the purposes of this section only, as it relates to members of a savings and loan association, each holder of a savings account in a savings and loan association shall be permitted to cast one vote for each \$100, or fraction thereof, of the withdrawable value of his accounts. A borrowing member of a savings and loan association shall be permitted, as a borrower, to cast one vote and to cast the number of votes to which he may be entitled as the holder of savings ac-

counts. The members, who shall be entitled to vote at the meeting of the members to adopt the conversion plan, shall be holders of savings accounts and borrowing members of record on the books of the association as of that date as may be prescribed by the superintendent.

**Sec. 3. 9-B MRSA § 467, sub-§ 1, as enacted by PL 1975, c. 500, § 1, is amended to read:**

**1. Acting as security dealer prohibited.** No ~~director~~ officer, agent or employee of a financial institution subject to the laws of this State shall engage in for any compensation, direct or indirect, the business of selling or negotiating securities as the agent or salesman of any securities dealer, as defined in Title 32, section 751, other than the institution. **No director of a financial institution, subject to the laws of this State, shall engage in the business of selling or negotiating securities to or on behalf of the financial institution of which he is a director.**

**Sec. 4. 9-B MRSA § 723, sub-§ 3, ¶ A, as enacted by PL 1975, c. 500, § 1, is amended to read:**

**A.** Those having a withdrawal or participating value of less than ~~\$25~~ \$100; and

### STATEMENT OF FACT

The purposes of this bill are:

**1. To restore** to boards of directors of savings and loan associations the power to amend the bylaws of the association. All amendments must be submitted to the superintendent who has a veto power thereover.

**2. To change** the requirement of the  $\frac{2}{3}$  vote of stockholders, corporators or members to convert from one type of financial institution to another to a majority with special voting privileges for savings and loan association members. Any such plan would have already had a  $\frac{2}{3}$  vote of the board of directors and approval by the superintendent before consideration by the stockholders, corporators or members.

**3. To permit** a securities dealer to serve as a director of a financial institution provided he had no security dealings with the institution.

**4. To permit** associations in their bylaws to not pay interest on accounts or deposits up to \$100 instead of \$25.