

# MAINE STATE LEGISLATURE

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L.D. 396

(Filing No. S- 21 )

STATE OF MAINE  
SENATE  
113TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A " to S.P. 142, L.D. 396,  
Bill, "AN ACT to Amend the Law Regarding the Organi-  
zation and Management of Stock Institutions."

Amend the Bill in section 2, paragraph G, in the  
last line (page 2, line 22 in L.D.) by inserting af-  
ter the following: "\$1,000" the following: 'or  
greater than \$5,000'

Further amend the Bill by striking out all of  
section 9 and inserting in its place the following:

'Sec. 9. 9-B MRSA §316, sub-§1, ¶D, as enacted  
by PL 1975, c. 500, §1, is repealed and the following  
enacted in its place:

D. No person may be eligible to serve as a di-  
rector of any stock financial institution unless  
he is the actual owner of stock in the institu-  
tion with a market value of not less than \$2,500,  
or is a nominee of a financial institution hold-  
ing company which holds stock in such institution  
in that amount. For as long as a person is a di-  
rector, he must hold the number of shares which  
constituted \$2,500 of market value when he first  
became a director. The number of shares may not  
be reduced if the market value increases and the  
number of shares need not be increased if the  
market value declines. For persons serving as  
bank directors on January 1, 1987, their qualify-  
ing shares will automatically be reduced to the  
number of shares representing \$2,500 of the mar-  
ket value on December 31, 1987. Qualifying  
shares may not be encumbered.'

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STATEMENT OF FACT

2           This amendment establishes an upward ceiling on  
3 the fee the superintendent may charge to process an  
4 application for a bank charter.

5           The amendment also clarifies the intent of the  
6 bill regarding the holding of qualifying shares. It  
7 provides that the shares necessary to meet the \$2,500  
8 market value requirement when an individual initially  
9 becomes a bank director must be held as long as that  
10 person remains a director regardless of changes in  
11 the market value of the bank's stock. The amendment  
12 also provides for the reduction of qualifying shares  
13 for persons currently serving as bank directors based  
14 on the market value of their bank's stock on December  
15 31, 1987.

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Reported by Senator Bustin for the Committee on  
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