

MAINE STATE LEGISLATURE

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Sixty-Fifth Legislature.

HOUSE.

No. 224.

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED
AND NINETY-ONE.

AN ACT in relation to the business of Loan and Building
Associations.

*Be it enacted by the Senate and House of Representatives
in Legislature assembled, as follows:*

SECT. 1. Except as hereinafter provided no person,
2 association or corporation shall carry on the business of
3 accumulating the savings of its members and loaning to
4 them such accumulations in the manner of loan and build-
5 ing associations within this State, unless incorporated under
6 the laws thereof for such purpose.

SECT. 2. The bank examiner may authorize any such
2 association or corporation duly established under the laws
3 of another state to carry on such business in this State,
4 but said association or corporation shall not transact such
5 business in this State unless it shall first deposit with the

6 State Treasurer the sum of twenty-five thousand dollars
7 and thereafter a sum equal to fifteen per cent of the
8 deposits made in such association or corporation by citizens
9 of the State, the amount of percentage of deposits so
10 required to be determined from time to time by the bank
11 examiner; or in lieu thereof the whole or any part of
12 said sum may consist of any of the securities in which
13 savings banks may invest as regulated in section 100 of
14 chapter 47, Revised Statutes, and acts amendatory thereof,
15 at their par value, and the said deposit shall be held in
16 trust by said treasurer for the protection and indemnity
17 of the residents of the State with whom such associations
18 or corporations respectively have done or may transact
19 business. Said moneys or property shall be paid out or
20 disposed of only on the order of some court of competent
21 jurisdiction made on due notice to the attorney-general of
22 the State, and upon such notice to the creditors and share-
23 holders of such association or corporation as the court
24 shall prescribe. For the purpose of ascertaining the
25 business and financial condition of any such association or
26 corporation doing or deserving to do such business, said
27 bank examiner may make examinations of such associations
28 or corporations, at such times and at such places as said
29 bank examiner may desire, the expense of such examina-
30 tions being paid by the association or corporation exam-
31 ined, and may also require returns to be made in such
32 form and at such times as he may elect. Whenever, upon
33 examination or otherwise, it is the opinion of the bank
34 examiner that any such association or corporation is trans-
35 acting business in such manner as to be hazardous to the
36 public, or its condition is such as to render further pro-

37 ceeding by it hazardous to the public, said bank examiner
38 shall revoke or suspend the authority given to said asso-
39 ciation or corporation ; but this section shall not prevent
40 such association, corporation, or institution incorporated
41 under laws of another state, from loaning money upon
42 mortgages of real estate located within the State.

SECT. 3. Every such person, association or corporation
2 transacting business in the State at the time of the passage
3 of this act shall, within sixty days after such passage, con-
4 form to the requirements of this act.

SECT. 4. Whoever violates any provision of the preced-
2 ing sections shall be punished by a fine not exceeding one
3 thousand dollars ; and any provision thereof may on peti-
4 tion be enforced by injunction issued by a justice of the
5 supreme judicial court or of the superior court.

STATE OF MAINE.

HOUSE OF REPRESENTATIVES, }
March 10, 1891. }

Reported by Mr. FULLER of Tremont, from Committee on Legal
Affairs, and ordered printed under joint rules.

W. S. COTTON, *Clerk.*