

MAINE STATE LEGISLATURE

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Seventieth Legislature.

HOUSE.

No. 155

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND ONE.

AN ACT to amend chapter sixty-one of the Public Laws of eighteen hundred and eighty-seven, as amended by chapter three hundred and nineteen of the Public Laws of eighteen hundred and ninety-seven, relating to Loan and Building Associations.

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

Section 1. Section one hundred thirty-nine of chapter 2 sixty-one of the Public Laws of eighteen hundred eighty-3 seven, as amended by chapter three hundred nineteen of the 4 Public Laws of eighteen hundred ninety-seven, is hereby 5 amended by striking out the words in the twelfth line "not 6 to exceed eight," and inserting in place thereof, the words 7 'of not less than five per cent nor more than eight,' so that 8 said chapter as amended shall read as follows :

'Sect. 139. The board of directors shall see to the proper 10 investment of the funds of the association, as provided in

11 this section. After due allowance for all necessary and
12 proper expenses, and for the withdrawal of shares, the
13 moneys of the association shall be loaned to the members at
14 a rate of monthly premium to be fixed by the directors, which
15 shall in no case exceed forty cents per share. Any member
16 may, upon giving security satisfactory to the directors,
17 receive a loan of two hundred dollars for each share held by
18 him, or such fractional part of two hundred dollars as the
19 by-laws may allow. Any association may provide in its
20 by-laws that instead of the interest and premium, a stated
21 rate of annual interest of not less than five, nor more than
22 eight per cent, may be charged upon the sum desired, payable
23 in monthly installments. Such rate shall include the whole
24 interest and premium to be paid upon the loan. Any balance
25 remaining unloaned to members may be invested in such
26 securities as are legal for the investment of deposits in sav-
27 ings banks. No loan shall be made on the gross premium
28 plan.'

Sect. 2. Section one hundred forty-one of said chapter
2 sixty-one is hereby amended by inserting after the word
3 "premium" in the third line thereof "if such monthly premium
4 be charged" and inserting after the words "rate of" in said
5 third line the words 'not less than five nor more than' so
6 that said section as amended shall read as follows:

'Sect. 141. A borrowing member, for each share borrowed
8 upon, shall, in addition to his dues and monthly premium, if
9 such monthly premium be charged, pay monthly interest on
10 his loan at the rate of not less than five nor more than six
11 per cent per annum until his shares reach the ultimate value
12 of two hundred dollars each, or the loan has been repaid; and
13 when said ultimate value is reached, said shares and loan
14 shall be declared canceled and satisfied, and the balance, if
15 any, due upon the shares shall be paid to the member.'

STATE OF MAINE.

IN HOUSE OF REPRESENTATIVES,

AUGUSTA, February 14, 1901.

Reported by Mr. FULLER of Kennebunk, from Committee on Banks
and Banking, and ordered printed under joint rules.

W. S. COTTON, *Clerk.*