

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)

Seventy-first Legislature.

HOUSE.

No. 36

STATE OF MAINE.

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

AN ACT to amend chapter 61, Public Laws of 1887, relating
to Loan and Building Associations.

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

Section 1. Section 138 of chapter 61, Public Laws of 1887,
2 is hereby amended by striking out in the fifth line of said
3 section, the word "six" and inserting in place thereof the
4 word 'five,' so that said section as amended shall read as
5 follows:

'Sect. 138. When each unpledged share of a given series
7 reaches the value of two hundred dollars, all payments of
8 dues thereon shall cease, and the holder thereof shall be paid
9 out of the funds of the association, two hundred dollars
10 therefor, with interest at the rate of five per cent a year, from
11 the time of such maturity to the time of payment; provided,

12 that at no time shall more than one-half of the funds in the
13 treasury be applicable to the payment of such matured shares,
14 without the consent of the directors, and that before paying
15 matured shares, all arrears and fines shall be deducted.
16 Every share shall be subject to a lien for the payment of any
17 unpaid dues, fines, interest, premiums and other charges
18 received thereon, which may be enforced in the manner here-
19 inafter provided.'

Section 148 of chapter 61, Public Laws of 1887, as amended
21 by section 3 of chapter 319, Public Laws of 1897, is hereby
22 amended by inserting after the word "occurrence" in the
23 ninth line thereof the following words: 'No dividend shall
24 be made at a rate per cent which will make the aggregate
25 amount of said dividend greater than the actual earnings of
26 the association actually collected,' so that said section as
27 amended shall read as follows:

'Sect. 148. The profits and losses may be distributed annu-
29 ally, semi-annually or quarterly, to the shares then existing,
30 but shall be distributed at least once in each year, and when-
31 ever a new series of shares is to be issued. Profits and losses
32 shall be distributed to the various shares existing at the time
33 of such distribution, in proportion to their value at that time,
34 and shall be computed upon the basis of a single share, fully
35 paid to the date of distribution. Losses shall be apportioned
36 immediately after their occurrence. No dividend shall be
37 made at a rate per cent which will make the aggregate amount
38 of said dividend greater than the actual earnings of the asso-
39 ciation, actually collected. At each periodical distribution
40 of profits, the directors shall reserve as a guaranty fund a
41 sum not less than three nor more than ten per cent of the net
42 profits accruing since the next preceding adjustment, until
43 such fund amounts to five per cent of the dues capital, which
44 fund shall thereafter be maintained and held, and said fund
45 shall be at all times available to meet losses in the business

46 of the association from depreciation in its securities or other-
47 wise.'

Section 149 of chapter 61, Public Laws of 1887, is hereby
49 amended by striking out in the sixth line after the word
50 "estate," the word "so" and inserting in place thereof the
51 words 'in whatever manner' and adding after the word
52 "thereto" in the last line the words 'but the bank examiner,
53 upon application of any association may extend said time in
54 which said real estate may be sold, so that section as amended
55 shall read as follows:

'Sect. 156. Any association may purchase, at any sale,
57 public or private, any real estate upon which it may have a
58 mortgage, judgment, lien or other incumbrance, or in which
59 it may have an interest, and may sell, convey, lease or mort-
60 gage at pleasure, the real estate so purchased, to any person
61 or persons whatsoever. All real estate in whatever manner
62 acquired shall be sold within five years from the acquisition
63 of title thereto; but the bank examiner, upon application of
64 any association may extend said time in which said real estate
65 may be sold.'

STATE OF MAINE.

IN HOUSE OF REPRESENTATIVES,
AUGUSTA, February 3, 1903.

Tabled pending reference to Committee on Banks and Banking, by Mr.
ALLAN of Portland, and ordered printed.

W. S. COTTON, *Clerk.*