

# MAINE STATE LEGISLATURE

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# Seventy-first Legislature.

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HOUSE.

No. 199

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## STATE OF MAINE.

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

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

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*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 dues  
8 thereon shall cease, and the holder thereof shall be paid out of  
9 the funds of the association, two hundred dollars therefor,  
10 with interest at the rate of five per cent a year, from the time  
11 of such maturity to the time of payment; provided, that at

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

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

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

45 the business of the association from depreciation in its securi-  
46 ties or otherwise.'

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

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

STATE OF MAINE.

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IN HOUSE OF REPRESENTATIVES,

AUGUSTA, February 26, 1903.

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

W. S. COTTON, *Clerk.*