

MAINE STATE LEGISLATURE

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SEVENTY-EIGHTH LEGISLATURE

HOUSE

NO. 199

House of Representatives, Feb. 9, 1917.

Referred to Committee on Banks and Banking and five hundred copies ordered printed. Sent up for concurrence.

W. R. ROIX, Clerk.

Presented by Mr. Gurney of Portland.

STATE OF MAINE

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

AN ACT to amend Section 107 of Chapter 52 of the Revised
Statutes relating to Loans by Loan and Building Associations.

Be it enacted by the People of the State of Maine, as follows:

Section one hundred seven of Chapter fifty-two of the Re-
2 vised Statutes is hereby amended by inserting after the
3 word "banks" in the fifteenth line thereof, the words, 'or
4 with the approval of the bank commissioner may be loaned
5 in whole or in part to other loan or building associations
6 in this state.' so that said section as amended will read as
7 follows:

'The board of directors shall see to the proper investment
2 of the funds of the association, as provided in this section.
3 After due allowance for all necessary and proper expenses,
4 and for the withdrawal of shares, the moneys of the asso-
5 ciation shall be loaned to the members at a rate of monthly
6 premium to be fixed by the directors, which shall in no case
7 exceed forty cents a share. Any member may, upon giving
8 security satisfactory to the directors, receive a loan of two
9 hundred dollars for each share held by him, or such frac-
10 tional part of two hundred dollars as the by-laws may al-
11 low. Any association may provide in its by-laws that in-
12 stead of the interest and premium, a stated rate of annual
13 interest of not less than five, nor more than eight per cent,
14 may be charged upon the sum desired, payable in monthly
15 instalments. Such rate shall include the whole interest and
16 premium to be paid upon the loan. Any balance remaining
17 unloaned to members may be invested in such securities as
18 are legal for the investment of deposits in savings banks,
19 or with the approval of the bank commissioner may be
20 loaned in whole or in part to other loan or building asso-
21 ciations in this state. No loan shall be made on the gross
22 premium plan.'