

# MAINE STATE LEGISLATURE

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## Legislative Document

No. 491

H. P. 1228

House of Representatives, February 5, 1941.

Referred to the Committee on Banks and Banking and 750 copies ordered printed. Sent up for concurrence.

HARVEY R. PEASE, Clerk.

Presented by Mr. Shesong of Portland.

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## STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
FORTY-ONE

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### AN ACT Relative to Guaranty Fund of Loan and Building Associations.

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

**R. S., c. 57, §117, amended.** Section 117 of chapter 57 of the revised statutes, as amended by chapter 29 of the public laws of 1933, is hereby further amended to read as follows:

**‘Sec. 117. Profits and losses, when and how distributed; guarantee fund.** The profits and losses may be distributed annually, semi-annually, or quarterly, to the shares then existing, but shall be distributed at least once in each year. Profits and losses shall be distributed to the various shares existing at the time of such distribution, in proportion to their value at that time, and shall be computed upon the basis of a single share, fully paid to the date of distribution. No dividend shall be made at a rate per cent which will make the aggregate amount of said dividend greater than the actual earnings of the association, actually collected; provided, however, that a temporary deficiency in actual collections may be supplemented by taking from the guaranty fund, with the written consent of the bank commissioner, an amount sufficient to maintain the customary dividend rate. At each periodical distribution of profits, before declaring dividends, the directors shall reserve as a guaranty fund a sum not less than 3%, nor more than 10% of the net income accruing since the last adjustment, until

such fund amounts to 5% of the capital dues including advance payments, **and all other classes of shares issued by such association**, which fund shall thereafter be maintained and held, and said fund shall be at all times available to meet losses in the business of the association from depreciation in its securities or otherwise.'