

MAINE STATE LEGISLATURE

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N I N E T Y - E I G H T H L E G I S L A T U R E

Legislative Document

No. 359

H. P. 261

House of Representatives, January 31, 1957.

Referred to the Committee on Business Legislation, sent up for concurrence and ordered printed.

HARVEY R. PEASE, Clerk

Presented by Mr. Beane of Augusta.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-SEVEN

AN ACT Amending Laws Relating to Loan and Building Associations.

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

Sec. 1. R. S., c. 59, § 19-G, sub-§ V, ¶ F, amended. Paragraph F of subsection V of section 19-G of chapter 59 of the Revised Statutes, as enacted by section 1 of chapter 380 of the public laws of 1955, is hereby amended to read as follows:

'F. The provisions of paragraphs B, C, D and E apply only to accounts opened in banks, savings banks or trust companies, or shares in loan and building associations, made payable to persons or to either or the survivor who are husband and wife, parent and child and brothers and sisters; except that the provisions of paragraphs B, C, D and E, as to brothers and sisters, shall apply only to accounts opened **and shares acquired** after September 1, 1955 and to accounts opened **and shares acquired** prior to September 1, 1955 which may be brought within the provisions of these paragraphs by written declaration, in form prescribed by the Bank Commissioner, executed by all such depositors or share owners, and delivered to any such bank, savings bank, trust company or loan and building association, which declaration shall bind each and every signer thereof, his heirs, executors, administrators and assigns. In case such declaration be signed by one or more, but not all of the depositors named in such account or share owners, such declaration shall be effective as against the person or persons signing the same, his and their heirs, executors, administrators and assigns; but shall not be effective as against those not so signing.'

Sec. 2. R. S., c. 59, § 158, amended. The 1st sentence of section 158 of chapter 59 of the Revised Statutes is hereby amended to read as follows:

'Loan and building associations may be organized in the manner provided herein for the organization of savings banks, and upon except that the provisions relative to capitalization as contained in subsection VI of section 19-B shall not apply to organization of loan and building associations. Upon the filing of any certificate of authorization of a loan and building association with the Secretary of State, as so provided, the persons therein named, their associates, successors and assigns shall, thereupon and thereby, be constituted a body corporate and politic, and such body may adopt and use a common seal, hold, manage and convey real and personal property, sue and be sued, prosecute and defend suits in law or in equity, have perpetual succession each by its corporate name and make and ordain by-laws for its government, not repugnant to the Constitution and laws.'

Sec. 3. R. S., c. 59, § 173, amended. Section 173 of chapter 59 of the Revised Statutes, as amended by chapter 354 of the public laws of 1955, is hereby further amended by inserting after the 1st sentence thereof, a new sentence, as follows:

'Additional loans upon the same real estate or a portion thereof may, however, be made provided any mortgage securing such loan shall contain a provision to the effect that the premises described are subject to such prior mortgage or mortgages to the mortgagee and provided further that there shall be no intervening mortgage or encumbrance other than those held by the association concerned.'

Sec. 4. R. S., c. 59, § 180, amended. The 4th sentence of section 180 of chapter 59 of the Revised Statutes is hereby repealed and the following sentence enacted in place thereof:

'Any loan and building association may hold real estate in the municipalities in which such association or any branches thereof are located, to a total amount not exceeding 5% of its deposits or to an amount not exceeding its reserve fund; but these limitations shall not apply to real estate acquired by the foreclosure of mortgages thereon, or upon judgments for debts or in settlements to secure debts.'