

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

AS PASSED BY THE

Eighty-fourth Legislature

OF THE

STATE OF MAINE

1929

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PUBLIC LAWS
OF THE
STATE OF MAINE

As Passed by the Eighty-fourth Legislature

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institution shall establish a reserve fund by setting aside from its net income, and before the declaration of each dividend, an amount which, together with other amounts so set aside for this purpose during the year, shall be equal to one-half of one per centum, at least, of its deposits; and such reservations shall be continued until the fund shall be equal to five per centum, at least, of its deposits. The fund shall be kept constantly on hand as a security against losses and contingencies, and all losses shall be charged to it. If, and whenever, the fund shall become impaired below five per centum of the deposits, it shall be restored in the manner provided for its accumulation.

After passing to the reserve fund that part of the income required to be set aside by the provisions of the previous paragraph, the trustees may declare such dividends as are permitted or required by their by-laws; provided that the rate of the dividends shall not be more than five per centum per annum; and provided, also, that the trustees are forbidden to declare any dividend of a rate per centum that will make its aggregate amount greater than the income actually collected in the period covered by it, except that for the purpose of maintaining the rate of the dividend, the trustees may deduct from the earnings and carry as a special fund such sums as they may deem wise.

The dividend or interest shall be declared, and credited and paid to depositors, only as authorized by a vote of the board of trustees, entered upon their records, whereon shall be recorded the yeas and nays upon such vote.'

Approved March 23, 1929.

Chapter 118.

An Act Legalizing Guaranteed Bonds of Canadian Railroads as an Investment for the Savings Banks of Maine.

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

P. L., 1923, c. 144, sec. 27; relating to investments of savings banks, amended. Section twenty-seven, sub-division VI of chapter one hundred and forty-four of the public laws of nineteen hundred and twenty-three is hereby amended by adding thereto the following paragraph to be lettered '(f)':

'(f) **Guaranteed bonds of Canadian railroads legal investment; five per cent of deposits limit.** In the bonds or notes issued or assumed by any steam railroad corporation organized under the laws of the Dominion of Canada. The principal and interest of which are payable in United States funds without exchange, and the principal and interest of which are guaranteed directly or indirectly by the Dominion of Canada.

Not more than five per cent of the deposits of any one bank shall be

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invested in these obligations issued and guaranteed by the Dominion of Canada, and not more than one per cent of such deposits in the obligations of any single railroad corporation above described.'

Approved March 23, 1929.

Chapter 119.

An Act Relating to the Use as Part of Name the Words "Saving," "Savings," "Savings Bank" and Kindred Words.

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

P. L., 1923, c. 144, sec. 5; P. L., 1927, c. 57; relating to use of words "bank," "savings," "trust" and kindred words, amended. Amend section five of chapter one hundred and forty-four of the public laws of nineteen hundred and twenty-three as amended by chapter fifty-seven of the public laws of nineteen hundred and twenty-seven, by inserting in the thirteenth line after the word "aforesaid," the following:

'And on and after the first day of August, A. D. nineteen hundred and twenty-nine, excepting those trust companies using the same as a part of their name or title on the first day of January, nineteen hundred and twenty-nine, no bank or trust company, except a mutual savings bank organized under the laws of the state of Maine, shall use as a part of their name or title the words "saving," "savings," or "savings bank,"' so that said section, as amended, shall read as follows:

'Sec. 5. Only mutual savings bank shall use words "saving," "savings," or "savings banks;" penalty for violation. No person or partnership, and no association or corporation, organized after the twenty-third day of April, nineteen hundred and five, except such person or partnership as is in effect the successor to any person or partnership bearing the same name and title, and organized prior to said date, unless duly authorized under the laws of this state or of the United States to conduct a banking or trust company business, shall, on and after the first day of January, A. D. nineteen hundred and twenty-eight, use as a part of their name or title, or as designating their business, the word or words, "bank," "banker," "savings," "savings bank," "savings department," "trust," "trust company," "banking," or "trust and banking company," or the plural of any such word or words in, or in connection with, any other business than that of a bank or trust company duly authorized as aforesaid. And on and after the first day of August, A. D. nineteen hundred and twenty-nine, excepting those trust companies using the same as a part of their name or title on the first day of January, nineteen hundred and twenty-nine, no bank or trust company, except a mutual savings bank organized under the laws of the state of Maine, shall use as a part of their name or title