

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES
AS PASSED BY THE
Eighty-ninth and Ninetieth
Legislatures

OF THE
STATE OF MAINE

From April 21, 1939 to April 26, 1941
AND MISCELLANEOUS STATE PAPERS

Published by the Revisor of Statutes in accordance
with the Resolves of the Legislature approved June
28, 1820, March 18, 1840, March 16, 1842, and Acts
approved August 6, 1930 and April 2, 1931.

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1941

PROPERTY OF THE
STATE OF MAINE
NOT TO BE SOLD

PUBLIC LAWS

OF THE

STATE OF MAINE

As Passed by the Ninetieth Legislature

1941

CHAP. 43

interest and principal in not less than 5 years nor more than 20 years. The mortgage and mortgage note shall require a monthly payment sufficient to amortize the debt in said periods and such payments shall be applied first to the interest on the unpaid balance of the debt, and the remainder to the unpaid principal of the debt, until the same is paid in full. Any balance remaining unloaned to members may be invested in such securities as are legal for the investment of deposits in savings banks, or with the approval of the bank commissioner may be loaned in whole or in part to other loan and building associations in this state. No loan shall be made on the gross premium plan.'

Approved March 8, 1941

Chapter 42

AN ACT Relative to Annual Examination of Affairs of Loan and Building Associations.

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

R. S., c. 57, amended. Chapter 57 of the revised statutes is hereby amended by adding thereto a new section to be numbered 119-A and to read as follows:

'Sec. 119-A. Affairs of association to be examined annually. Two of the directors, at least, shall once in each year thoroughly examine the affairs of the association and report under oath to the bank commissioner the standing of the association, the situation of its funds, and all other matters which the said commissioner requires, and in the manner and according to the form that he prescribes. The said commissioner shall seasonably give notice of the time and furnish blanks for said examination and report.'

Approved March 8, 1941

Chapter 43

AN ACT Relative to Rate of Interest to be Charged by Loan and Building Associations.

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

R. S., c. 57, § 110, amended. Section 110 of chapter 57 of the revised statutes, as amended by chapter 31 of the public laws of 1933, is hereby further amended to read as follows:

'Sec. 110. Rate of interest to be charged. A borrowing member, for each share borrowed upon, shall, in addition to his dues and monthly premium, if such monthly premium be charged, pay monthly interest on his loan, except as otherwise provided in the by-laws of such association under the provisions of section 108, at ~~the rate of not less than 5, nor more than 6%~~ a year such rate of interest as the directors may determine until the loan has been repaid. When shares of a borrowing member, with dividends credited thereon, shall have reached the value of $\frac{1}{4}$ of the amount borrowed, the association, upon request of the borrowing member, may, at its option, reduce thereafter by $\frac{1}{4}$ the amount of said borrowing member's original monthly dues' payment, and when said shares of a borrowing member shall have reached the value of $\frac{1}{2}$ of the original amount borrowed, the association may thereafter reduce by $\frac{1}{2}$ the original amount of the borrowing member's original dues' payment and when said shares shall have reached the value of $\frac{3}{4}$ of the original amount borrowed the association may thereafter reduce by $\frac{3}{4}$ the borrowing member's original monthly dues' payment.'

Approved March 8, 1941

Chapter 44

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

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; guaranty 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