

# MAINE STATE LEGISLATURE

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**LAWS**  
OF THE  
**STATE OF MAINE**

AS PASSED BY THE  
ONE HUNDRED AND ELEVENTH LEGISLATURE

**FIRST REGULAR SESSION**  
December 1, 1982 to June 24, 1983  
Chapters 1-452

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ANNOTATED, TITLE 3, SECTION 164, SUBSECTION 6.

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J.S. McCarthy Co., Inc.  
Augusta, Maine  
1983

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**PUBLIC LAWS**  
OF THE  
**STATE OF MAINE**

AS PASSED AT THE  
FIRST REGULAR SESSION

and

FIRST SPECIAL SESSION

of the

ONE HUNDRED AND ELEVENTH LEGISLATURE

1983

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## CHAPTER 56

H.P. 683 - L.D. 839

AN ACT to Amend the Banking Code  
Regarding Loans to Directors of Financial  
Institutions.

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

Sec. 1. 9-B MRSA §465, sub-§1, ¶A, as enacted by PL 1975, c. 500, §1, is amended to read:

A. Except for loans adequately secured by a pledge of a savings deposit, certificate of deposit, marketable securities or the cash surrender value of a life insurance policy, or as provided in paragraph B, no trust company ~~shall~~ may make any loan to any of its directors, corporators, officers, agents or to any other person in the company's employ, or on which any such director, corporator, officer, agent or employee is an endorser, guarantor or surety, or to any firm or business syndicate of which ~~such~~ the director, corporator, officer, agent or employee is a member, or to any person or on the endorsement or guaranty of any person, who is a partner of or member of a business syndicate with ~~such~~ the director, corporator, officer, agent or employee, or to any corporation of which any such director, corporator, officer, agent or employee is a director, officer, agent or employee, until the proposition to make ~~such~~ the loan shall have been submitted to the board of ~~such~~ that company and accepted and approved by a majority of the entire membership of ~~such~~ the board or committee in the following manner.

(1) No director of ~~such~~ that trust company who is interested in ~~said~~ a loan in any of the ~~above~~ capacities set out in this paragraph or who is connected or associated with the borrower in any of the ~~above~~ ways ~~shall~~ set out in this paragraph may be regarded as voting in the affirmative on ~~such~~ that loan.

(2) The term "agent" as used in this section shall not be construed to include any person other than a person elected or appointed by the stockholders.

Sec. 2. 9-B MRSA §465, sub-§2, as amended by PL

1981, c. 501, §33, is further amended to read:

2. Thrift institutions and credit unions; personal loans.

A. Except for loans adequately secured by a first mortgage on real estate, a savings deposit, a certificate of deposit or a share account, marketable securities or the cash surrender value of a life insurance policy, or personal loans having an aggregate value of \$10,000 or less, no thrift institution or credit union subject to the laws of this State shall make any loans to its policy-making officers or directors. No thrift institution ~~shall~~ may make a loan to its corporators, policy-making officers or directors and no credit union ~~shall~~ may make a loan to its officers or directors unless such loans are on the same terms as are generally available to the public or its members.

B. A loan granted to an officer or corporator under paragraph A shall be approved or ratified within 30 days of its making by the board of directors. A loan granted a director under paragraph A shall be approved by a majority of the entire membership of the board. The director whose loan is under consideration shall not be regarded as voting in the affirmative on such loan.

Sec. 3. 9-B MRSA §465, sub-§2-A is enacted to read:

2-A. Thrift institutions; commercial loans.

A. Except for loans adequately secured by a pledge of a savings deposit, a certificate of deposit, marketable securities, or the cash surrender value of a life insurance policy, no thrift institution may make any commercial loan to any of its directors, to any firm or business syndicate of which the director is a member or to any person or on the endorsement or guaranty of any person who is a partner of or member of a business syndicate with the director or to any corporation of which the director is a director, officer, agent or employee until the proposition to make the loan has submitted to the board of directors or the executive committee, if any, of the institution and accepted and approved by a majority of the board or committee in the following manner:

(1) No director who is interested in a loan in any of the capacities mentioned in this subsection or who is connected or associated

with the borrower in any of the ways mentioned in this subsection may be regarded as voting in the affirmative on the loan.

No thrift institution may make a loan to its directors unless the loan is on the same terms as are generally available to the public.

Effective September 23, 1983.

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## CHAPTER 57

H.P. 692 - L.D. 863

AN ACT to Require Printed or Typewritten  
Names to Accompany Signatures on Documents  
Filed in the Registry of Deeds.

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

33 MRSA §651-A is enacted to read:

§651-A. Grantor, grantee names; form of indexing

No instrument executed on or after September 1, 1983, may be accepted by a register of deeds for recording unless beneath the signature of the grantor, grantee, if it appears on the instrument, and the person taking the acknowledgement, the name of each signer is typed or printed. Names used for indexing shall be indexed as typed or printed under each signature. A name may be typed or printed under a signature at the registry of deeds by the person bringing the instrument to the registry, provided the name is typed or printed on the instrument prior to the certification on the instrument under section 653 of the time when the instrument was received.

Effective September 23, 1983.

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## CHAPTER 58

S.P. 172 - L.D. 527

AN ACT to Provide All Municipalities  
with the Option to Establish a Local  
Board of Assessment Review.