

HOUSE . . . . . No. 412.

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Commonwealth of Massachusetts.

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HOUSE OF REPRESENTATIVES, April 28, 1881.

The Committee on Labor, to whom was recommitted the Senate Bill to amend "An Act concerning co-operative saving fund and loan associations," report that the same ought to pass in a new draft.

For the Committee,

JAMES H. MELLEN.

## Commonwealth of Massachusetts.

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In the Year One Thousand Eight Hundred and Eighty-one.

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### AN ACT

To amend "An Act concerning Co-operative Saving Fund and Loan Associations."

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows :*

1 SECTION 1. Chapter two hundred and twenty-four  
2 of the Acts of the year eighteen hundred and  
3 seventy-seven is hereby amended as follows : —

*Clause 1.* In the second line of section eight by inserting the word "first" before the word "mortgage" in said line.

*Clause 2.* By striking out section fifteen and inserting in place thereof, —

"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, and whenever a new series of shares is to be issued. Profits and losses shall be distributed to the various shares existing at the time of such distribution in proportion to the then value of the share, and shall be computed upon the basis of a single share, and that it is fully paid to date of distribution. Losses shall be apportioned immediately following their occurrence."

*Clause 3.* By striking out section nine, and inserting in place thereof, —

“Each shareholder shall pay to said corporation at, or before each stated monthly meeting of the directors, as a contribution to the capital thereof, the sum of one dollar as dues for each and every share held by him, until each share shall, under the provisions of this act, reach the ultimate value of two hundred dollars, or shall sooner be forfeited, cancelled, or withdrawn as hereinafter provided. When each unpledged share of a particular series shall reach the ultimate value of two hundred dollars, all payment thereon shall cease, and the holder thereof shall be entitled to receive, and shall be paid, out of the funds of the said corporation the sum of two hundred dollars for each share maturing and so held by him, and from the date of such maturity to the date of such payment shall also be entitled to receive, and shall be paid, interest at the rate of six per cent per annum on the sum so due and payable: *provided, however,* that at no time shall more than one half of the funds in the treasury be applicable to the payment of such matured shares without the consent of the directors; and *provided further,* that the directors of said corporation shall have the power, at their discretion, to retire the unpledged shares of any particular series, by enforcing the withdrawal of the same at any time after the lapse of four years from the date of the issue thereof; *provided,* that the retired shareholders shall be entitled to receive, and shall be paid, the full value of their shares, less all fines and a proportionate part of any unadjusted loss: and *provided further,* that all shareholders whose shares are to be so retired shall be determined by lot, under such regulations as the directors may prescribe. A borrowing shareholder, for each share borrowed upon, shall, in addition to the dues aforesaid, pay in advance the sum of one dollar per month as interest, together with the monthly premium bid for said loan, as hereinafter in section twelve provided for, until said shares shall reach the ultimate value of two hundred dollars each, when said shares and said loan shall be declared cancelled and satisfied, unless otherwise sooner paid off and discharged.”

*Clause 4.* By adding at the end of section 7 the following: —

“In case there shall be a balance of money remaining unsold after a monthly auction sale, the directors may, at their discretion, invest the same in any of the securities named in the second clause of section nine of chapter two hundred and three of the Acts of the year eighteen hundred and seventy-six.”

1    SECT. 2. This act shall take effect upon its pas-  
2 sage.