

SENATE No. 1515

The Commonwealth of Massachusetts

SENATE, MARCH 14, 1974.

The committee on Banks and Banking, to whom was referred the petition (accompanied by bill, Senate, No. 431) of Irving Fishman for legislation to require notice of maturity for term deposits received by trust companies, reports the accompanying bill (Senate, No. 1515).

For the Committee.

IRVING FISHMAN

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy-Four.

AN ACT REQUIRING NOTICE OF MATURITY FOR TERM DEPOSITS RECEIVED BY TRUST COMPANIES.

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 50 of chapter 172 of the General Laws, as most re-
2 cently amended by chapter 350 of the acts of 1968, is hereby
3 further amended by striking out the first paragraph and insert-
4 ing in place thereof the following paragraph:
5 No such corporation shall allow a time deposit represented
6 by a certificate or written agreement to be withdrawn before
7 the time specified therein, and where such certificate or agree-
8 ment does not specify any definite date for withdrawal no
9 such corporation shall allow such deposit to be withdrawn
10 without receiving written notice of at least thirty days; pro-
11 vided, however, that in an emergency where it is necessary to
12 prevent great hardship to the depositor, any such corporation
13 may pay maturity or without such thirty day notice in writing
14 where no definite date of withdrawal is specified in the certi-
15 ficate or agreement a time deposit or the portion thereof neces-
16 sary to meet such emergency. Such corporation shall be re-
17 quired to mail to the depositor a written notification of ma-
18 turity at least thirty days prior to the date of maturity of
19 said plan or deposit but in no event more than forty-five
20 days prior to said date of maturity of the certificate or writ-
21 ten agreement.