

# HOUSE . . . . . No. 10

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Bill accompanying the recommendations to be contained in the annual report of the Bank Commissioner (House, No. 9). Banks and Banking. January 8.

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## The Commonwealth of Massachusetts.

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In the Year One Thousand Nine Hundred and Fifteen.

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### AN ACT

Relative to Loans on Personal Security.

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

1 Subdivision *b* of clause eight of section sixty-eight of  
2 chapter five hundred and ninety of the acts of the year  
3 nineteen hundred and eight is hereby amended by chang-  
4 ing the word "eighteen", in the thirteenth line, to:—  
5 twelve, — and by inserting after the word "association",  
6 in the fifteenth line, the words: — and of the one or more  
7 sureties or endorsers, — and by adding the letter "s" on  
8 the word "examination", in the eighteenth line, and by  
9 adding the letter "s" on the word "report", in the twenti-  
10 eth line,—so as to read as follows:—*b.* A note with one or  
11 more substantial sureties or endorsers: (1) Of a corpora-  
12 tion incorporated in this commonwealth; or (2) of a man-  
13 ufacturing corporation with a commission house as surety

14 or endorser: *provided*, that such commission house is in-  
15 corporated in this commonwealth or has an established  
16 place of business and a partner resident therein; or (3)  
17 of an association or corporation at least one half of the  
18 real and personal property of which is located within the  
19 New England states provided that at least one such  
20 surety or endorser shall be a citizen of or corporation in-  
21 corporated in this commonwealth: *provided*, that no such  
22 loan shall be made or renewed unless within *twelve*  
23 months next preceding the making or renewing of such  
24 loan an examination of the affairs, assets and liabilities  
25 of the borrowing corporation or association *and of the*  
26 *one or more sureties or endorsers*, has been made, at the  
27 expense of such borrowing corporation or association, by  
28 an accountant approved by the commissioner. The re-  
29 port of such examinations shall be made in such form as  
30 the commissioner may prescribe. A copy of the reports  
31 certified to by the accountant shall be delivered by the  
32 borrowing corporation or association to the savings bank  
33 before such loan or a renewal thereof is made, and a copy  
34 so certified shall be delivered by the accountant to the  
35 commissioner within thirty days after the completion of  
36 said examination.