

HOUSE No. 15

Accompanying the fourth recommendation of the Commissioner of Banks of the Department of Banking and Insurance (see House, No. 11). Banks and Banking. January 3.

The Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Twenty-Three.

AN ACT

Regulating Business under an Inactive Charter of a Credit Union.

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 two of chapter one hundred and seventy-one of
2 the General Laws, as amended by section one of chapter
3 one hundred and forty-seven of the acts of nineteen hun-
4 dred and twenty-two, is hereby further amended by
5 adding at the end thereof the following:—; and no
6 credit union shall resume business under a charter which
7 is outstanding and inactive on July first, nineteen hundred
8 and twenty-three, except with the written approval of the
9 board of bank incorporation,— so as to read as follows:
10 — *Section 2.* Seven or more persons, resident in the
11 commonwealth, who have associated themselves by a
12 written agreement with the intention of forming a corpo-

13 ration for the purpose of accumulating and investing the
14 savings of its members and making loans to members for
15 provident purposes, may, with the consent of the board
16 of bank incorporation, become a corporation upon com-
17 plying with the following section. The board of bank
18 incorporation may grant such consent when satisfied that
19 the proposed field of operation is favorable to the success
20 of such corporation, and that the standing of the proposed
21 incorporators is such as to give assurance that its affairs
22 will be administered in accordance with the spirit of this
23 chapter. A credit union shall organize and commence
24 business within six months from the date of its incorpo-
25 ration, otherwise its charter shall become void; and no
26 credit union shall resume business under a charter which
27 is outstanding and inactive on July first, nineteen hun-
28 dred and twenty-three, except with the written approval
29 of the board of bank incorporation.