
By Mr. Sisitsky, a petition (accompanied by bill, Senate, No. 33) of Alan D. Sisitsky, Mass P.I.R.G., by Stephen Morgan, executive director, and Richard P. Roche for legislation to provide that depositors shall elect trustees of savings banks. Banks and Banking.

The Commonwealth of Massachusetts

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

AN ACT PROVIDING THAT DEPOSITORS SHALL ELECT TRUSTEES
OF SAVINGS BANKS.

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 168 of the General Laws is hereby
2 amended by inserting after section 9 the following section —
3 *Section 9A.* The annual meeting and other special meetings
4 of the depositors of such corporations shall be held at such
5 time as the by-laws direct. Each depositor entitled to vote at
6 any such meeting may authorize another person to act for
7 such depositor by proxy. The form and content of notices and
8 proxy solicitations, the manner of determining the depositors
9 entitled to vote, the number of depositors or the number of
10 votes which shall constitute a quorum or approval of any
11 matter submitted to said depositors shall be determined by
12 regulation of the commissioner.

1 SECTION 2. The first paragraph of section 10 of said chapter
2 168 is hereby amended by striking out subdivisions 4 and 5
3 and inserting in place thereof the following two subdivisions: —
4 *Election.* All trustees shall be elected by and from the
5 depositors except that any vacancy in the board arising
6 between annual meetings from death, resignation or otherwise,
7 may be filled by the trustees until the next annual meeting at
8 which the depositors may elect a trustee for the balance, if
9 any, of the unexpired term. The trustees shall be divided into
10 three groups as nearly equal in number as possible, and one
11 of such groups shall be elected annually for a term of three
12 years; provided, that during the minimum time necessary to

13 accomplish the foregoing one of said groups may be elected
14 for a term of one year and one for a term of two years. Upon
15 the election as trustee of a person who has not been
16 theretofore a trustee of such corporation, the clerk shall send
17 forthwith to the commissioner the name and address of such
18 person and the commissioner thereupon shall transmit to such
19 person a copy of the laws relating to savings banks as most
20 recently compiled under the direction of the commissioner.

21 5. *Termination of Office.* If a trustee fails to attend four
22 consecutive regular quarterly meetings of the board of
23 trustees, said board may declare his office to be vacant at its
24 regular quarterly meeting, and if a trustee fails to attend
25 eight consecutive regular quarterly meetings of said board, it
26 shall declare his office to be vacant at its next regular quarterly
27 meeting; but his provision shall not apply to a trustee while
28 he is serving on active duty as a member of the armed forces
29 of the United States. Any trustee whose office is declared to be
30 vacant as provided in this paragraph shall not be re-elected as
31 a trustee except upon vote of at least two thirds of all the
32 depositors of such corporation passed at a subsequent annual
33 meeting.

1 SECTION 3. On or after January first, nineteen hundred and
2 seventy-eight, but before April first, nineteen hundred and
3 seventy-eight, each savings bank as defined in section one of
4 chapter one hundred and sixty-eight of the General Laws shall
5 convene a meeting of all its depositors eligible to vote as pro-
6 vided by regulation of the commissioner of banks for the
7 election of trustees as provided in subdivision 4 of section ten
8 of said chapter one hundred and sixty-eight, as amended by
9 section two of this act.