

The Commonwealth of Massachusetts

MEMORANDUM OF THE SECRETARY OF THE COMMONWEALTH PURSUANT TO GENERAL LAWS, CHAPTER 3, SECTION 7, WITH RESPECT TO PETITION OF THE MASS. CREDIT UNION SHARE INSURANCE CORPORATION AND ANTONE S. AGUIAR, JR., RELATIVE TO THE CREATION AND PURPOSE OF SAID CORPORATION.

February 6, 1975.

To the Honorable Senate and House of Representatives:

The above-named petition was transmitted to me by the Clerk of the House of Representatives on January 20, 1975, with a request for a memorandum.

Massachusetts Credit Union Share Insurance Corporation was established by chapter 294 of the acts of 1961, which act was approved on March 29, 1961. Said act also provided for the establishment of a fund for the insurance of shares in Massachusetts Credit Unions. Chapter 208 of the acts of 1964 is an act making certain changes in the law establishing Massachusetts Credit Union Share Insurance Corporation and is relative to the establishment of guaranty funds by Credit Unions which are members thereof. Chapter 332 of the acts of 1965 is an act providing for the termination of membership in the Massachusetts Credit Union Share Insurance Corporation. Chapter 123 of the acts of 1968 is an act relative to the semiannual assessment of Credit Union members of the Massachusetts Credit Union Share Insurance Corporation. Chapter 306 of the acts of 1973 revises the law relative to the Massachusetts Credit Union Share Insurance Corporation.

The bill before your honorable bodies seeks to further amend section 1 of chapter 294 of the acts of 1961 as most recently amended by section 1 of chapter 306 of the acts of 1973 by striking out the period at the end thereof and inserting the following: ", and the corporation shall have the powers hereinafter granted.

In addition to all the powers specifically granted by the provisions hereof and to carry out the purposes of this Act, the corporation may:

(a) make contracts;

(b) sue and be sued, complain and defend, in any court of law and equity, State or Federal. All suits of a civil nature at common law or in equity to which the corporation is a party shall be deemed to arise under the laws of Massachusetts. No attachment or execution shall be issued against the corporation or its property before final judgment in any suit, action or proceeding in any State, county, municipal, or United States court. The corporation shall designate an agent upon whom service of process may be made;

(c) appoint such officers and employees as are not otherwise provided for in this Act, define their duties, fix their compensation, require bonds of them and fix the penalty thereof, and dismiss at pleasure such officers or employees;

(d) exercise all powers specifically granted by the provisions of this Act and such incidental powers as shall be necessary to carry out the powers so granted;

(e) with the approval of the commissioner, audit or cause an audit to be made of a member at the member's expense whenever it appears that the financial condition of such member threatens to impair the insurance fund and to require such further information and reports from such member as may be deemed necessary; and

(f) act as receiver or liquidating agent as provided for in this Act."

Please note that the true name of the corporation

is: Massachusetts Credit Union Share Insurance Corporation

not: Mass. Credit Union Share Insurance Corporation

as the name appears on the face of the petition.

It is respectfully suggested that an opinion of the Commissioner of Banks be sought on the enclosed bill.

Special legislation is required to effect the desired result.

No fee is required to be paid by a corporation of the type described in the petition.

Respectfully submitted,

PAUL GUZZI,

Secretary of the Commonwealth.

By Mr. Aguiar of Swansea, petition of the Mass. Credit Union Share Insurance Corporation and Antone S. Aguiar, Jr., relative to the creation and purpose of said corporation. Banks and Banking.

The Commonwealth of Massachusetts

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

AN ACT RELATIVE TO THE CREATION AND PURPOSE OF THE MASSACHUSETTS CREDIT UNION SHARE INSURANCE CORPORATION.

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 of chapter 294 of the Acts of 1961 as most recently
2 amended by Section 1 of chapter 306 of the Acts of 1973 is hereby
3 further amended by striking out the period at the end thereof and
4 inserting the following: ", and the corporation shall have the
5 powers hereinafter granted.

6 In addition to all the powers specifically granted by the
7 provisions hereof and to carry out the purposes of this Act, the
8 corporation may:

9 (a) make contracts;

10 (b) sue and be sued, complain and defend, in any court of law
11 and equity, State or Federal. All suits of a civil nature at common
12 law or in equity to which the corporation is a party shall be
13 deemed to arise under the laws of Massachusetts. No attachment
14 or execution shall be issued against the corporation or its
15 property before final judgment in any suit, action or proceeding
16 in any State, county, municipal, or United States court. The
17 corporation shall designate an agent upon whom service of
18 process may be made;

19 (c) appoint such officers and employees as are not otherwise
20 provided for in this Act, define their duties, fix their compensa-
21 tion, require bonds of them and fix the penalty thereof, and
22 dismiss at pleasure such officers or employees;

23 (d) exercise all powers specifically granted by the provisions of
24 this Act and such incidental powers as shall be necessary to carry
25 out the powers so granted:

26 (e) with the approval of the commissioner, audit or cause an
27 audit to be made of a member at the member's expense whenever
28 it appears that the financial condition of such member threatens
29 to impair the insurance fund and to require such further
30 information and reports from such member as may be deemed
31 necessary; and,

32 (f) act as receiver or liquidating agent as provided for in this
33 Act."