

# HOUSE . . . . No. 1084

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By Mr. Chadwick of Winchester, petition of the Savings Banks Association of Massachusetts relative to the investment of deposits in savings banks and the income derived therefrom in certain personal loans. Banks and Banking.

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## The Commonwealth of Massachusetts

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In the Year One Thousand Nine Hundred and Fifty.

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AN ACT PERTAINING TO THE INVESTMENT OF DEPOSITS  
OF SAVINGS BANKS AND THE INCOME DERIVED THERE-  
FROM IN CERTAIN PERSONAL LOANS.

*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 (a) of clause ninth of section 54 of  
2 chapter 168 of the General Laws, as most recently  
3 amended by chapter 68 of the acts of 1946, is hereby  
4 further amended by striking out in the sixth line the  
5 word "eighteen" and inserting in place thereof the  
6 words "twenty-four", — so as to read as follows:—  
7 (a) A note of one or more responsible borrowers in  
8 such form and at such rate of interest or other charge  
9 as the board of investment shall by rules or regulations  
10 determine, with the approval of the commissioner,  
11 payable or to be paid in instalments at intervals of  
12 not exceeding one month and all within a period of  
13 not exceeding twenty-four months from the date of  
14 the note. Such notes may provide for the payment of

15 the first instalment on a date not more than three  
16 months from the date of the note or of some one  
17 subsequent instalment on a date not more than three  
18 months from the date of the last prior instalment, and  
19 may, in the discretion of such corporation, be secured  
20 or unsecured. The total obligation of any one person  
21 to any such corporation in this class of investment  
22 shall not exceed one thousand dollars, exclusive of  
23 interest or discount from the date of the note; and the  
24 aggregate of such loans made by any such corporation  
25 shall not exceed five per cent of its deposits. The  
26 provisions of sections eighty-six to one hundred and  
27 ten, inclusive, of chapter one hundred and forty shall  
28 not apply to loans made under this subdivision.