

# HOUSE . . . . . No. 2734

By Mr. Wetherbee of Pepperell, petition of Bruce E. Wetherbee and David J. Swartz relative to loans by corporations to certain shareholders. Commerce and Labor.

## The Commonwealth of Massachusetts

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

AN ACT RELATIVE TO LOANS BY CORPORATIONS TO CERTAIN SHAREHOLDERS.

*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 62 of chapter 156B of the General Laws, as appearing  
2 in section 25 of chapter 685 of the acts of 1965, is hereby amended  
3 by striking the title and text thereof and inserting in the place  
4 thereof the following:—

5 *Section 62. Liability for Loans Made to Directors and*  
6 *Officers, etc.*

7 If a corporation shall lend any of its assets to any director or  
8 officer of the corporation, all directors voting for or assenting to  
9 any such loan and each officer knowingly participating in the  
10 making of such loan shall be jointly and severally liable to the  
11 corporation for any damage caused the corporation but only to  
12 the extent that such loan has not been repaid to the corporation.

