

# HOUSE . . . . No. 11

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Accompanying the first recommendation of the Commissioner of Banks (House, No. 10). Mercantile Affairs.

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## The Commonwealth of Massachusetts

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In the Year One Thousand Nine Hundred and Forty-Nine.

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AN ACT AUTHORIZING INVESTIGATIONS OF THE FINANCIAL AND MORAL STANDING OF APPLICANTS FOR BONDS FOR COLLECTION AGENCIES.

*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 26 of chapter 93 of the General Laws, is  
2 hereby amended by inserting between the 2d and 3d  
3 sentences as appearing in the Tercentenary Edition  
4 the following:— The commissioner of banks may re-  
5 quire such financial statements and references of all  
6 applicants for such approval as he deems necessary.  
7 He may also make or cause to be made an independent  
8 investigation concerning each applicant's reputation  
9 and net worth, at the expense of the applicant, and  
10 for that purpose may require such deposits against  
11 the costs thereof as he deems adequate., — so that said  
12 section shall read as follows:— *Section 26.* Said  
13 bond shall be executed by said person, partnership,  
14 association or corporation as principal, with a surety

15 company as surety; or cash may be accepted in lieu  
16 of a surety company. The bond shall not be accepted  
17 unless it is approved by the state treasurer after  
18 having been examined and approved by the com-  
19 missioner of banks. The commissioner of banks may  
20 require such financial statements and references of all  
21 applicants for such approval as he deems necessary.  
22 He may also make or cause to be made an independent  
23 investigation concerning each applicant's reputation  
24 and net worth, at the expense of the applicant, and  
25 for that purpose may require such deposits against the  
26 costs thereof as he deems adequate. Upon its ap-  
27 proval by the treasurer, it shall be filed in his office.  
28 Said bond may be cancelled at any time by the princi-  
29 pal, by the surety company or by the state treasurer  
30 upon written notice by registered mail given by the  
31 principal, the surety company or the state treasurer to  
32 each of the others, said notice to state the effective  
33 date of the cancellation which shall not be sooner than  
34 thirty days from the date of the mailing of such notice.