

## Chapter 73

# THE COMMONWEALTH OF MASSACHUSETTS In the Year One Thousand Nine Hundred and Thirty-four

**AN ACT** providing for the establishment of a Fund for the Insurance of Shares in Co-operative Banks.

*Thereas*, The deferred operation of this act would tend to defeat its purpose as a temporary measure to hasten financial recovery, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:* SECTION 1. The Co-operative Central Bank, established by chapter forty-five of the acts of nineteen hundred and thirty-two, hereinafter referred to as the corporation, shall in the manner herein provided establish a fund for the insurance of shares in co-operative banks established under the laws of the commonwealth, hereinafter referred to as member banks. For such purpose the directors of the corporation may, by assessments made from time to time upon the member banks in the same proportion for each, require each member bank to pay over in cash to the corporation a total of not more than one percent of the share liabilities of such member bank as shown by its last annual report to the commissioner of banks, hereinafter referred to as the commissioner, such assessments to be in addition to all other payments to the corporation required under said chapter forty-five. An assessment under this section of one quarter of one per cent of such share liabilities shall be made within ten days after the effective date of this act, said assessment to be paid by each member bank from the proceeds of the amount of its deposit with the corporation made under section six of said chapter forty-five, reduced by any amounts withdrawn therefrom by such bank or payments made to it by the corporation under said chapter forty-five, so far as the amount of said deposit so reduced may be adequate. Other assessments not exceeding such authorized total shall be made from time to time thereafter at the direction of the commissioner. The provisions of sections six and ten of said chapter forty-five shall apply to the assessments authorized by this section. Such assessments shall be held as a fund to be known as the Share Insurance Fund. Said fund shall be invested separately from the other funds of the corporation and shall not be liable for the obligations of the corporation other than those created by or under this act. Assets of the corporation not held in the Share Insurance Fund shall not be liable for any obligations created hereby or hereunder. The cost of administering the Share Insurance Fund as determined by the directors of the corporation shall be paid therefrom.

March 9 1934.

Approved,  
at 3 o'clock and 34 minutes, P.M.

 Governor.

SECTION 1 of the original Act Establishing the Share Insurance Fund of  
The Co-operative Central Bank