

§322. Permission to organize

1. Organizers. Any number of persons, but not less than 20, all of whom must reside in or reside proximate to the geographic area to be served by the institutions, may agree in writing to associate themselves for the purpose of forming a mutual or cooperative financial institution pursuant to this chapter.

[PL 1997, c. 398, Pt. D, §3 (AMD).]

2. Application to organize. The organizers set forth in subsection 1 shall file with the superintendent an application for permission to organize a mutual or cooperative financial institution, which application must contain the following:

A. The name by which the institution will be known; [PL 1997, c. 398, Pt. D, §3 (AMD).]

B. The purpose for which it is to be formed, including whether the organizers seek a certificate of public convenience and advantage to conduct business as a financial institution. The organizers shall indicate in the application whether the institution will be organized as a mutual or cooperative financial institution; [PL 1997, c. 398, Pt. D, §3 (AMD).]

C. The city or town within this State where the institution's principal office is to be located; [PL 1975, c. 500, §1 (NEW).]

D. The proposed minimum amount of initial capital contributions to be deposited; [PL 1975, c. 500, §1 (NEW).]

E. The names, addresses and occupations of the directors of the institution who are to serve until the initial meeting of the members or corporators or until their successors are elected and qualified, and the names, addresses and occupations of the directors who will be voted on by the members or corporators at the initial meeting; [PL 1997, c. 398, Pt. D, §3 (AMD).]

F. A statement setting forth the name, address and occupation of each organizer, together with the amount of initial capital that such organizer shall deposit, subscribed to by said organizer; and [PL 1997, c. 398, Pt. D, §3 (AMD).]

G. Such additional information, including the reasons why an institution of the type specified in paragraph B is needed in the proposed location, as the superintendent may require. [PL 1997, c. 398, Pt. D, §3 (AMD).]

An application for permission to organize a mutual or cooperative financial institution may not be considered complete unless accompanied by an application fee of not more than \$5,000, payable to the Treasurer of State, to be credited and used as provided in section 214.

[PL 1997, c. 398, Pt. D, §3 (AMD).]

3. Publication of notice. After determining that the application required in subsection 2 is complete, the superintendent shall advise the organizers to publish within 15 days of such advice, a notice in such form as the superintendent may prescribe. Such notice shall appear at least once a week for 3 successive weeks in one or more newspapers of general circulation in the county where the financial institution is to be established, or in such other newspapers as the superintendent may designate. Such published notice shall specify the names, addresses and occupations of the organizers and directors, the type of institution to be organized, and the name of the institution and its location, as set forth in the application for permission to organize. The superintendent may require individual notice to any person or corporation, and may require that one of such publications contain the information required under section 252, subsection 2.

[PL 1975, c. 500, §1 (NEW).]

4. Permission from superintendent.

A. [PL 1997, c. 398, Pt. D, §4 (RP).]

B. In determining whether public convenience and advantage will be promoted by granting permission to organize the type of institution requested, the superintendent shall make his decision in accordance with section 253 pursuant to the procedures set forth in section 252. [PL 1975, c. 500, §1 (NEW).]

C. A grant of a certificate of public convenience and advantage and an order granting permission to organize may include such terms and conditions as the superintendent considers necessary, including, but not limited to, an increase in the amount of minimum capital deposits, pursuant to subsection 5. [PL 1997, c. 398, Pt. D, §5 (AMD).]

[PL 1997, c. 398, Pt. D, §§4, 5 (AMD).]

5. Minimum initial capital contribution deposits.

A. The certificate of public convenience and advantage and the superintendent's order granting permission to organize must set forth the minimum amount of capital deposits that the mutual or cooperative financial institution must have to begin business. [PL 1997, c. 398, Pt. D, §6 (AMD).]

B. The minimum amount of capital deposits must be determined by the superintendent, but in no event may it be less than \$500,000. [PL 2021, c. 508, §3 (AMD).]

C. In determining the minimum amount of capital deposits, the superintendent may set different requirements for financial institutions and may consider such factors as the population of the city or town where the proposed institution is to be located, competition among financial institutions in that locale and the need to protect depositors and other creditors of the institution. [PL 1997, c. 398, Pt. D, §6 (AMD).]

[PL 2021, c. 508, §3 (AMD).]

6. Effect of denial. If the superintendent denies permission to organize or refuses to issue a certificate of public convenience and advantage, the application may be renewed in the manner provided in this section after one year from the date of such denial.

[PL 1975, c. 500, §1 (NEW).]

SECTION HISTORY

PL 1975, c. 500, §1 (NEW). PL 1997, c. 398, §D3 (AMD). PL 1997, c. 398, §D4 (AMD). PL 1997, c. 398, §D5 (AMD). PL 1997, c. 398, §D6 (AMD). PL 2021, c. 508, §3 (AMD).

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