

**§323. Organization**

Upon receipt of a certificate of public convenience and advantage and permission to organize pursuant to section 322, the organizers shall comply with the following requirements: [PL 1975, c. 500, §1 (NEW).]

**1. Franchise during organization.** The organizers set forth in the application for permission to organize, and who subsequently receive permission from the superintendent, shall hold the institution's franchise until such time as the requirements of this section are met or the superintendent determines that said requirements have not been complied with. [PL 1975, c. 500, §1 (NEW).]

**2. First meeting: adoption of articles and bylaws.**

A. Within 30 days after receipt of a certificate of public convenience and advantage and an order granting permission to organize pursuant to section 322, the first meeting of the organizers of the financial institution must be called by a notice signed by that organizer who was designated in the application for that purpose, or by a majority of the organizers. Such notice must state the time, place and purposes of the meeting. A copy of the notice must be given to each organizer at least 3 days before the date appointed for the meeting, or left at each organizer's residence or usual place of business, or deposited in the post office and addressed to such an organizer at that organizer's residence or usual place of business, and another copy thereof, together with an affidavit of one of the organizers that the notice has been duly served, must be recorded with the records of the institution. If all the organizers, in writing indorsed upon the application to organize, waive such notice and fix the time and place of the meeting, no notice is required. [PL 1997, c. 398, Pt. D, §7 (AMD).]

B. At the first meeting and thereafter, the organizers of a mutual financial institution are known as the "corporators" and the organizers of a cooperative financial institution are known as the "incorporators." [PL 1997, c. 398, Pt. D, §7 (AMD).]

C. At such meeting or at any adjournment thereof, the corporators or incorporators shall by ballot select a temporary clerk, adopt the articles of incorporation and bylaws of the institution and, in such manner as the bylaws may determine, elect directors, a president, a clerk and such other officers as the bylaws may prescribe. All persons so elected shall qualify for their offices as provided in sections 326 and 327. [PL 1975, c. 500, §1 (NEW).]

D. The temporary clerk shall make and attest a record of the proceedings until the clerk has been chosen and sworn, including a record of such choice and qualification. [PL 1975, c. 500, §1 (NEW).]

E. Within 10 days after adoption of the articles of incorporation and bylaws, the clerk shall file with the superintendent copies thereof; and, within 15 days after receipt, the superintendent shall, after examining such articles and bylaws for conformance with the requirements of this Title, approve or disapprove of such articles and bylaws. [PL 1975, c. 500, §1 (NEW).]  
[PL 1997, c. 398, Pt. D, §7 (AMD).]

**3. Submission to Secretary of State.** Following the meeting required under subsection 2, the directors so elected shall submit an attested copy of the institution's articles of incorporation to the Secretary of State, who shall determine whether such articles satisfy the filing requirements of Title 13-C. If such filing requirements are met and the superintendent has approved said articles, the Secretary of State shall file the articles of incorporation pursuant to Title 13-C, chapter 1, subchapter 2. The filing of the articles of incorporation by the Secretary of State does not authorize the transaction of business by the financial institution until all conditions of this section are satisfied. [PL 2003, c. 344, Pt. D, §3 (AMD).]

**4. Payment of capital deposits.**

A. A financial institution organized under this chapter shall not commence business until the minimum capital deposits required in its permission to organize have been deposited to the credit of the financial institution in a depository designated by the directors; [PL 1975, c. 500, §1 (NEW).]

B. At such time as the institution has received to its credit the minimum capital deposits required in section 322, subsection 5, a complete list of the capital depositors, with the name, address, occupation and the amount of capital deposited by each shall be filed with the superintendent, which list shall be verified by the president and clerk of the institution. Such deposits shall be handled by the institution in accordance with section 324. [PL 1975, c. 500, §1 (NEW).]

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**5. Certificate to commence business.**

A. Upon receipt of the statement required in subsection 4, the superintendent shall cause an examination to be made to determine if the minimum capital deposits have been credited to the account of the institution as he may determine and that all requirements of this section and other provisions of law have been complied with. [PL 1975, c. 500, §1 (NEW).]

B. Upon completion of his examination, and if the requirements of paragraph A are met, the superintendent shall issue a certificate authorizing the financial institution to begin transacting the business of a financial institution of the type as set forth in its articles of incorporation. Such certificate shall be conclusive of the facts stated therein and it shall be unlawful for any such mutual financial institution to begin transacting business until such a certificate has been granted. [PL 1975, c. 500, §1 (NEW).]

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**6. Failure to commence business.**

A. Any mutual or cooperative financial institution that fails to commence business as a financial institution within one year after receiving a certificate of public convenience and advantage forfeits that certificate and any other certificate to commence business and shall cease all activities. The superintendent shall certify to the Secretary of State that the certificate of public convenience and advantage and any certificate to commence business have been forfeited so that the institution's articles of incorporation may be terminated by the Secretary of State. [PL 1997, c. 398, Pt. D, §8 (AMD).]

B. Upon any such forfeiture, the contributors of initial capital deposits of such institution shall be entitled to return of any amounts which they have paid to the institution and all expenses incurred in the organization shall be borne by the original organizers who were named in the application for permission to organize. [PL 1975, c. 500, §1 (NEW).]

C. Upon failure to commence business within one year and forfeiture of permission to organize and any certificate to commence business so obtained, the organizers may not submit another application for permission to organize a financial institution under sections 312 or 322 for at least one year from the date of such forfeiture. [PL 1975, c. 500, §1 (NEW).]

D. Notwithstanding the time limitation in paragraph A, the superintendent may extend the period in which business shall be commenced for a period not to exceed 6 months upon written application by the institution setting forth the reasons for such extension. If an extension is granted by the superintendent, the Secretary of State shall be so notified by the superintendent. [PL 1975, c. 500, §1 (NEW).]

[PL 1997, c. 398, Pt. D, §8 (AMD).]

SECTION HISTORY

PL 1975, c. 500, §1 (NEW). PL 1997, c. 398, §D7 (AMD). PL 1997, c. 398, §D8 (AMD). PL 2003, c. 344, §D3 (AMD).

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