

from time to time be fixed or assessed, in such manner as may be provided by the corporation, in order to place such new member or stockholder on a footing with the original members and others holding stock at the time of such application.

A bonus or assessment for "back dues," of an amount equal to the association's regular weekly dues, counted from the organization of the association to the time of the subscriptions, is reasonable and authorized by this section. *Home, etc., Building Assn. v. Thursby*, 58 Md. 287. *Cf. Geiger v. Eighth German, etc., Assn.*, 58 Md. 574.

A "premium" charged by a building association in addition to dues and interest, held not to be a "bonus" within the meaning of this section. This section referred to in construing sec. 164—see notes thereto. *White v. Williams*, 90 Md. 724. And see *Williar v. Baltimore, etc., Loan Assn.*, 45 Md. 562.

Cited but not construed in *Baltimore Bldg. Assn. v. Powhatan Co.*, 87 Md. 64; *International Fraternal Alliance v. State*, 86 Md. 554; *Faust v. Twenty-third, etc., Bldg. Assn.*, 84 Md. 190; *Middle States Co. v. Hagerstown Mattress Co.*, 82 Md. 513.

An. Code, sec. 137. 1904, sec. 125. 1888, sec. 98. 1868, ch. 471, sec. 87. 1894, ch. 321.

164. Such corporation, at any time in advance of the period of time at which it may cease to exist, according to the plan contained in the original articles of association, may advance to any member thereof, for such premium as may be agreed upon, the sum which he would be entitled to receive upon the dissolution of the corporation, or the maturity of the series to which he belongs, when said corporation has more than one series of stock, for any number of shares therein held, or may purchase from any member thereof the share or shares of stock held by him, at such price or sum as, according to the articles of association, such member may agree to receive, or instead of receiving the whole amount of said premium (in advance or deducting the whole amount of said premium) from the amount of said advance, the borrower may pay the same in weekly, monthly or such other instalments as may be agreed upon; and on payment of said sum of money, may receive from such member security as mentioned in the next succeeding section of this article, for the payment by such member to such corporation of the unpaid instalments and unpaid premiums, to be paid on the share or shares of stock so sold or redeemed, together with interest at the rate of six per cent *per annum* on the sum so paid or advanced, at such times and subject to such fines and penalties for the non-payment thereof as may be prescribed in the articles of the association or in the by-laws, and such corporation shall have power to issue full paid-up shares of stock to its members upon such terms as may be set forth in its by-laws.

Usury.

Where a mortgage provides for the payment of principal and six per cent. interest, and an additional "premium" of seven dollars and fifty cents per month, the transaction is usurious. Meaning of the word "premium" as used in this section. *White v. Williams*, 90 Md. 723 (mortgage made prior to the act of 1894, ch. 321, and hence not affected thereby). And see *Geiger v. Eighth German, etc., Assn.*, 58 Md. 570.

Act of 1894, ch. 321, only changes this section so far as the time and method of the payment of the premium are concerned, and does not alter the rule that the premium cannot be an indefinite or variable amount, or payable in an indefinite number of small instalments. Transaction held usurious. The statute conferring the privilege of charging a premium is to be strictly construed. *Washington Bldg. Assn. v. Andrews*, 95 Md. 699. And see *Coltrane v. Baltimore, etc., Assn.*, 110 Fed. 293.