sum or price as such member may agree to receive therefor, or to loan to such member the par value of its shares as fixed by its certificates of incorporation for any number of shares then held by such member or borrower, and either to deduct such premium or bonus as may be agreed upon between the corporation and the member or borrower, and either to deduct such premium or bonus in advance, or to make the same payable with and as part of the weekly, bi-weekly or monthly dues in each week, bi-week or month during the period of such loan, and in the payment of such sum of money by such corporation, then to receive from such a member a transfer of all his, her or its interest in such share or shares of its participating or non-participating stock, and also security by way of mortgage on real or personal property; or by the hypothecation of unredeemed shares of its participating or non-participating stock so sold by such member; and said mortgage or hypothecation shall be conditioned for the repayment by such member or borrower to said corporation of the money loaned or advanced to him in weekly, bi-weekly or monthly instalments, including dues, legal interest on the money so advanced or loaned, the weekly, bi-weekly or monthly premium agreed upon for each share, and also all fines, assessments and penalties incurred according to the by-laws in respect thereof; and shares of stock so redeemed, advanced, or loaned or purchased by such corporation shall be considered as redeemed shares, and shall be cancelled; and it shall be lawful for such corporation to issue an equal number of new shares in their stead, so that the number of unredeemed shares may always equal and never exceed the number of shares fixed by the certificate of incorporation of such corporations; and the member or members of such corporations so redeeming their said share or shares of stock shall cease to be stockholders, and shall not be entitled to vote at any meeting of such corporations held for the purpose of electing directors or for any other purpose, and shall not be eligible for any of the offices of the corporations.

This section referred to in upholding constitutionality of sec. 129—see notes thereto. Carozza *v.* Federal Finance Co., 149 Md. 246.

Act which gave additional powers to association incorporated as building association, but provided that it should be subject to all laws relating to building association, the by-laws of said corporation do not prevail over the statute. Mortgage Bond Asso. *v.* Baker, 157 Md. 315.

One to whom stock is issued by building and loan association in connection with loan, but which stock is redeemed by the making of the loan, is not a member of the association and is not charged with any liability fixed by a by-law of the association apart from liability in mortgage deed, etc.; nor is one borrowing from association affected by a by-law of which he had no knowledge and which was not in printed by-laws given him. Losses for premature payment of loan must be shown. Watson *v.* Loan & Savings Asso., 158 Md. 339.

A mortgage to a building association is not illegal because interest is payable weekly and fines are imposed for non-payment of dues. Stewart *v.* Workingmen's Bldg. Assn., 106 Md. 682.

The act of 1872, ch. 178, held to be in conflict with art. 3, sec. 57, of the Md. Constitution, in so far as it attempts to permit one class of corporations to charge a higher rate of interest than others are allowed to charge. Citizens', etc., Co. *v.* Uhler, 48 Md. 458.

The act of 1872, ch. 178, held to have no application to a mutual building or homestead association. White *v.* Williams, 90 Md. 724; Geiger *v.* German Bldg. Assn., 58 Md. 573.

Prior to the act of 1904, ch. 239, this section applied only to corporations formed for the purpose of loaning on real or personal property under the general corporation law. Emory *v.* State, 41 Md. 57. And see Salisbury Assn. *v.* Wicomico County, 86 Md. 619.

Cited but not construed in Baltimore Bldg. Assn. *v.* Powhatan Co., 87 Md. 64; International Fraternal Alliance *v.* State, 86 Md. 554.

Secs. 164-168 cited but not construed in Frederick *v.* Lyons, 173 Md. 100.

See notes to sec. 163.