

Chapter 266.

AN ACT to grant additional corporate powers to the Savings and Loan Association of Frostburg, Maryland.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That the Savings and Loan Association of Frostburg, Maryland, a corporation regularly organized under the General Incorporation Law of this State, be and is hereby authorized and empowered (in the event of the funds of said association lying idle in its treasury, and none of its members wishing or desiring to redeem shares of stock held by them, and said corporation being unable to loan said funds on mortgage, as provided by its charter) to loan money upon promissory notes or single bills, no single loan to exceed five hundred dollars, nor the time of any such loan to exceed six months, except in case of renewal from time to time.

Loan on promissory notes.

SEC. 2. *And be it enacted,* That in case the board of directors of said association shall be in doubt whether the mortgage security taken from any member for the redemption of shares held by such member is an ample and sufficient security for said purpose, said corporation shall have power to receive and take from such member a bond of indemnity, conditioned to make good any deficiency which may remain in the mortgage debt in case of default and sale under said mortgage.

Bond of indemnity.

SEC. 3. *And be it enacted,* That said corporation shall have power and authority to take and receive a bond of indemnity from any member giving a mortgage for redeemed stock, conditioned to protect and indemnify said corporation from mechanics' lien claims on the mortgage premises.

Take and receive.

SEC. 4. *And be it enacted,* That this act shall take effect from the date of its passage.

Effective.

Approved May 3, 1882.