

Building and Loan Associations—Fees, Membership and Withdrawal.

The withdrawal fee is the only fee that can be charged by Building and Loan Associations.

April 5, 1919.

Hon. H. S. Magraw,
Superintendent of Banks,
Helena, Montana.

Dear Sirs:

You have referred to me for advice a letter from Messrs. Reynolds & Shea, Attorneys at Law, Bozeman, asking whether or not the law passed by the last Legislature providing for a withdrawal fee of Two Dollars to be charged by Building and Loan Associations is exclusive of the membership fee charged by many such associations or whether it is in addition thereto. I am of the opinion that this will entirely preclude the charging of any so-called membership fee. The fact is that the "membership fee" charged by many Building and Loan Associations is nothing more or less than a withdrawal fee and it is a fee which is forfeited by the members when and only when he withdraws his stock subscription prior to the maturity of his stock.

You are therefore advised that it is my opinion that only the one fee authorized by the recent enactment of the Legislature of Montana can be charged by Building and Loan Associations.

Respectfully,

S. C. FORD,

Attorney General.

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