§ 238. Regulations and restrictions as to repayment of deposits. 1. The repayment of deposits made with any savings bank and any interest credited thereto, shall be subject to the provisions of this chapter and to rules and regulations made in accordance therewith. Any such regulations adopted by the board of trustees shall be posted in a conspicuous place in the office or offices of such savings bank, and shall be available to depositors upon request. All such rules and regulations, from time to time in effect, and all amendments thereto, from time to time in effect, shall be binding upon all depositors.

2. A savings bank may at any time by a resolution of its board of trustees require a notice of sixty days before repaying deposits which are not demand deposits, in which event no non-demand deposit shall be due or payable until sixty days after notice of intention to withdraw the same shall have been personally given by the depositor. Any such non-demand deposit shall cease to be due or payable under such notice or by reason thereof upon the fifteenth day after the expiration of such sixty days' notice if not withdrawn by the fifteenth day thereafter. Nothing herein contained, however, shall be construed as prohibiting any savings bank from making payments of such deposits before the expiration of said sixty days' notice. Except as provided in subdivision four of this section and in subdivision one-a of section two hundred thirty-four of this chapter, no savings bank shall agree with its depositors in advance to waive said sixty days' notice nor shall it require a longer notice than sixty days. In the event that any savings bank shall require that notice be given before such deposits may be withdrawn it shall, upon the day such requirement is made effective, notify the superintendent by telephone or telegraph that such requirement has been made.

3. Except as provided in subdivisions four, five and six of this section, a savings bank shall not pay, nor shall a depositor, his assignee or anyone claiming through a depositor, be entitled to receive any interest or deposit or portion of a deposit, unless the passbook of the depositor be produced and the proper entry be made therein at the time of the payment. The board of trustees, however, may provide in the by-laws for making payments in cases of loss of passbook, or other

exceptional cases where the passbooks cannot be produced without serious inconvenience to depositors. The board of trustees may further provide in the by-laws for the payment of interest to a depositor without requiring the production of the passbook, provided that such payment is made (a) pursuant to the written request of the depositor, and (b) by check payable to the order of the depositor. The right to make such payments without production of the passbook shall cease when the superintendent shall so direct, upon his being satisfied that such right is being improperly exercised. Payments, however, may be made upon the judgment or order of a court. Where payment is made without production of the passbook in accordance with its by-laws, a savings bank shall not be liable to an assignee of that passbook for such payment if such assignee has not, prior to such payment, served upon the savings bank written notice of the assignment. When authorized by the depositor, or, in the case of a joint account, by both depositors, a savings bank may charge the account of such depositor or depositors for any sums due the insurance department of such savings bank, or due the insurance department of any other savings bank for which it is agent, without requiring the production of the passbook for the recording of the charge therein. For the purpose of this subdivision, the term "passbook" shall include any evidence of ownership of a deposit held pursuant to subdivision one-a of section two hundred thirty-four of this chapter, subject, however, to such regulations and restrictions as the superintendent of financial services may prescribe pursuant to such subdivision.

4. A savings bank may contract with its depositors to repay deposits of fixed sums made at regular intervals, other than demand deposits and deposits held pursuant to subdivision one-a of section two hundred thirty-four of this chapter, at a given time with all interest credited thereon or to repay said deposits when, together with interest credited thereon, they shall equal a specific sum and may issue a certificate setting forth the given sum to which such deposits shall be accumulated or the given time during which the deposits and the interest thereon shall be accumulated. Such contract shall not provide for any forfeiture of the sums deposited in the event of the discontinuance of the regular payments. Interest on club accounts, if offered, must be credited at

least quarterly and may not be forfeited once credited, in the event of the discontinuance of regular payments. Any savings bank which provides for deposits in club accounts shall, in all advertising, announcements or brochures pertaining to such accounts, state whether or not interest is paid thereon and, if interest is paid, shall state the rate or form of interest so paid in accordance with any rules and regulations that may be prescribed by the superintendent.

4-a. If a deposit held pursuant to subdivision one-a of section two hundred thirty-four of this chapter is repaid prior to maturity at the request of a depositor, such repayment shall be subject to such penalties as the superintendent of financial services may find to be necessary and proper, except that no such penalty shall be imposed where the depositor has died or been declared legally incompetent.

5. A savings bank may accept deposits from an employer or an employee group, to be credited to the individual accounts of the members of a group of employees having a common employer, without the issuance of a passbook in connection therewith, and may pay to any one of the members of such group, or to his authorized agent, in person, the whole or any part of such deposits credited to his account together with the interest credited thereon, without requiring the production of a passbook.

6. Subject to any regulations and restrictions prescribed by the superintendent of financial services, a savings bank may accept deposits, including demand deposits, without the issuance of a passbook in connection therewith, and may issue such other evidences of its obligation to repay such deposits as may be appropriate to safeguard the interests of the depositors and of the savings bank.