§ 378-a. Time deposits. 1. Subject to such regulations and restrictions as the superintendent of financial services finds to be necessary and proper, a savings and loan association may contract to receive time deposits including deposits upon which the savings and loan association contracts to pay interest at a fixed rate.

2. Any time deposit made by or in the name of any minor shall be held for the exclusive right and benefit of such minor, and free from the control or lien of all other persons, except creditors, and shall be paid together with interest credited thereon, to the person in whose name the deposit shall have been made. The receipt or acquittance of such minor shall be a valid and sufficient release and discharge to the association for any payment so made. When any time deposit shall be made by any person in trust for another, including a minor, and no other or further notice of the existence and terms of a legal and valid trust shall have been given in writing to the association, in the event of the death of the trustee, the deposit, together with the interest credited thereon, may be paid to the person for whom the deposit was made. The receipt of acquittance of such person shall be a valid and sufficient release and discharge to the association for any payment so made.

3. The repayment of time deposits made with any association 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 directors shall be posted in a conspicious place in the office or offices of such association, 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.

4. Notice to any association of an adverse claim to a time deposit standing on its books to the credit of any person shall not be effectual to cause such association to recognize such adverse claimant unless he shall also either procure a restraining order, injunction or other appropriate process against such association from a court of competent jurisdiction in a cause therein instituted by him wherein the person to whose credit the deposit stands or his executor or administrator is made

a party and served with summons, or shall execute to such association, in form and with sureties acceptable to it a bond, indemnifying such association from any and all liability, loss, damage, costs and expenses, for and on account of the payment of such adverse claim or the dishonor of the order of the person to whose credit the deposit stands on the books of such association; provided, that this section shall not apply in any instance where the person to whose credit the deposit stands is a fiduciary for such adverse claimant, and the facts constituting such relationship, and the facts showing reasonable cause for belief on the part of such claimant that such fiduciary is about to misappropriate such deposit, are made to appear by the affidavit of such claimant.

5. (a) In all actions against any association to recover a time deposit, if there be any person or persons, not parties to the action, who claim the same fund, the court in which the action is pending may, on the petition of such association, and upon eight days' notice to the plaintiff and such claimants, and without proof as to the merits of the claim, make an order amending the proceedings in the action by making such claimants parties defendants thereto; and the court shall thereupon proceed to determine the rights and interests of the several parties to the action in and to such funds. The remedy provided in this section shall be in addition to and not exclusive of that provided in any other interpleader provision.

(b) The time deposit which is the subject of such an action may remain with such association to the credit of the action until final judgment therein, and be entitled to the same interest as other deposits of the same class, and shall be paid by such association in accordance with the final judgment of the court; or the deposit in controversy may be paid into court to await the final determination of the action, and when the deposit is so paid into court such association shall be struck out as a party to the action, and its liability for such deposit shall cease.

(c) The costs in all actions against an association to recover deposits shall be in the discretion of the court, and may be charged upon the fund affected by the action.

7. Subject to any regulations and restrictions prescribed by the

superintendent of financial services, a savings and loan association may accept time deposit without the issuance of a passbook in connection therewith, and may issue such other evidences of its obligation to repay such time deposits as may be appropriate to safeguard the interests of the depositors and of the savings and loan association.