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An Act To Prevent the Unauthorized or Deceptive Use of the Names of Financial Institutions

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 9-B MRSA §241, sub-§15 is enacted to read:

15. Deceptive use of names. A person may not use in an unauthorized or deceptive manner the name, abbreviated name or title of any financial institution authorized to do business in this State, credit union authorized to do business in this State, financial institution holding company or their affiliates or subsidiaries in any written or oral advertisement or solicitation. Use of a name, abbreviated name or title is not unauthorized or deceptive if the person using the name, abbreviated name or title has obtained written authorization for such use from the financial institution, credit union, holding company, affiliate or subsidiary or if the use is limited solely to a truthful written advertisement or solicitation comparing the relative attributes of similar products or services offered by the financial institution, credit union, holding company, affiliate or subsidiary and the person using the name, abbreviated name or title.

The superintendent may, through the Attorney General, bring a civil action against any person who willfully violates any provision of this subsection. The penalty for violation of this subsection may not exceed \$5,000 for each violation.

Any financial institution, credit union, holding company, affiliate or subsidiary whose name, abbreviated name or title is used by any person in violation of this subsection may, in addition to any other remedy available under the laws of this State, bring an action to enjoin such use and recover damages. The court shall award actual damages or \$5,000 for each violation, whichever is greater, plus attorney's fees and costs, upon a finding that a violation has occurred.

SUMMARY

This bill prohibits the unauthorized or deceptive use of the name of a financial institution, credit union, holding company, affiliate or subsidiary in any advertisement or solicitation. The bill also grants to the Superintendent of Financial Institutions the authority to impose civil penalties and provides financial institutions, credit unions, holding companies, affiliates and subsidiaries with remedies against unauthorized or deceptive uses of their names.