

# MAINE STATE LEGISLATURE

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ACTS AND RESOLVES  
AS PASSED BY THE  
Ninety-first and Ninety-second  
Legislatures  
OF THE  
STATE OF MAINE

From April 10, 1943 to April 21, 1945  
AND MISCELLANEOUS STATE PAPERS  
From April 10, 1943 to May 24, 1945

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Published by the Revisor of Statutes in accordance  
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**PUBLIC LAWS**  
OF THE  
**STATE OF MAINE**

As Passed by the Ninety-second Legislature

**1945**

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enforce the same. Nothing in sections 3-A to 3-H, inclusive, shall be construed as affecting or limiting any existing or future lien at common law or any rights at common law, or any right given by any other statute, and as to any transaction falling within the provisions both of sections 3-A to 3-H, inclusive, and of any other statute of this state requiring filing, recording, consent, publication, notices or formalities of execution, the factor shall not be required to comply with the provisions of any such other statute.'

Effective July 21, 1945

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## Chapter 80

### AN ACT to Regulate Trust Investments.

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

R. S., c. 147, §§ 17-A-17-D, additional. Chapter 147 of the revised statutes is hereby amended by adding thereto 4 new sections to be numbered 17-A to 17-D to read as follows:

'Sec. 17-A. Fiduciary to exercise prudence. In acquiring, investing, reinvesting, exchanging, retaining, selling and managing property for the benefit of another, a fiduciary shall exercise the judgment and care under the circumstances then prevailing, which men of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital. Within the limitations of the foregoing standard, a fiduciary is authorized to acquire and retain every kind of property, real, personal or mixed, and every kind of investment, specifically including but not by way of limitation, bonds, debentures and other corporate obligations, and stocks, preferred or common, which men of prudence, discretion and intelligence acquire or retain for their own account, and within the limitations of the foregoing standard, a fiduciary may retain property properly acquired, without limitation as to time and without regard to its suitability for original purchase.

Sec. 17-B. Exception. Nothing contained in the provisions of sections 17-A to 17-D, inclusive, shall be construed as authorizing any departure from, or variation of, the express terms or limitations set forth in any will, agreement, court order or other instrument creating or defining the fiduciary's duties and powers, but the terms "legal investment" or "authorized investment" or words of similar import, as used in any such instrument,

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shall be taken to mean any investment which is permitted by the terms of section 17-A.

Sec. 17-C. Power of court not restricted. Nothing contained in the provisions of sections 17-A to 17-D, inclusive, shall be construed as restricting the power of a court of proper jurisdiction to permit a fiduciary to deviate from the terms of any will, agreement or other instrument relating to the acquisition, investment, reinvestment, exchange, retention, sale or management of fiduciary property.

Sec. 17-D. Application of §§ 17-A-17-D. The provisions of sections 17-A to 17-D, inclusive, shall govern fiduciaries acting under wills, agreements, court orders and other instruments now existing or hereafter made.'

Effective July 21, 1945

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## Chapter 81

AN ACT Relating to Cash Reserve in Trust and Banking Companies.

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

R. S., c. 55, § 110, repealed and replaced. Section 110 of chapter 55 of the revised statutes is hereby repealed and replaced to read as follows:

'Sec. 110. Cash reserve. Every trust company having authority to receive money on deposit shall at all times have on hand in the lawful money or national bank-notes of the United States, as a cash reserve, an amount equal to at least 15% of the aggregate amount of its deposits which are subject to withdrawal upon demand or within 10 days; and said reserve may consist of balances payable on demand due from any national bank, or trust company created under the laws of this state, or from any trust company located in any of the other New England states or in the state of New York, and approved by the bank commissioner in writing. Provided that no banking organization not a member of the federal reserve system should be required to maintain reserves against war loan deposits (that is, deposits payable to the United States arising solely as a result of subscriptions made by or through banking organizations for United States government securities) which are not required by federal reserve member banks. Whenever said reserve shall be below said percentage of such deposits, such corporation shall not further diminish the amount of its legal reserve by making any new loans until the required proportion between the aggregate