

MAINE STATE LEGISLATURE

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CHAPTER 203
ORGANIZATION AND MANAGEMENT

Sec.

- 2341. Procedure.
- 2342. Government.
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§ 2341. Procedure

Industrial banks may be organized in the same manner as is provided for the organization of trust companies, so far as applicable and not inconsistent with chapters 201 to 205.

R.S.1954, c. 59, § 201.

§ 2342. Government

Except as otherwise provided, such corporations shall be governed and conducted in the manner provided by law for corporations generally in so far as not inconsistent with chapters 201 to 205.

R.S.1954, c. 59, § 202.

§ 2343. Capital stock and shares

The capital stock of an industrial bank shall not be less than \$50,000 in any town or city having a population of less than 50,000 inhabitants, and shall not be less than \$100,000 in any town or city having 50,000 or more inhabitants and less than 150,000 inhabitants, and shall not be less than \$200,000 in any town or city having 150,000 inhabitants or more, according to the last official census. The capital stock of every such corporation shall be divided into shares of the par value of \$100 each, at least 25% of which shall be paid into the treasury of the corporation in cash before such corporation shall be authorized to transact any business other than such as relates to its formation and organization, and such payment shall be certified to the commissioner under oath by the president and manager of said corporation. The balance of the capital stock shall be paid to the corporation in cash at the rate of not less than 10% per month following the initial payment. No corporation organized under chapters 201 to 205 shall create more than one class of stock.

R.S.1954, c. 59, § 203; 1963, c. 83.

§ 2344. Examination and issuance of certificate

Upon receipt by the commissioner of the certificate showing that 25% of the capital stock has been paid into the treasury of an industrial bank in cash as provided, said commissioner shall cause an examination to be made, and if after such examination it appears that the required amount of capital stock has been paid in in cash, and that all requirements of law have been complied with, said commissioner shall issue a certificate authorizing such corporation to begin the transaction of business. It shall be unlawful for any such corporation to begin the transaction of business until such a certificate has been granted.

R.S.1954, c. 59, § 207.

§ 2345. Powers

In addition to the powers conferred upon corporations by the general corporation law, every industrial bank shall have the following powers:

1. To borrow and lend money; maximum rate of interest. To borrow money, to lend money and discount notes and bills of exchange, including trade acceptances, and to deduct interest thereon in advance at a rate no greater than 12% annually; and in addition to receive uniform weekly, semimonthly or monthly installments on its certificates of indebtedness or deposit purchased by the borrower simultaneously with a loan transaction, or otherwise, and pledged with the corporation as security for the said loan, with or without an allowance of interest on such installments;

2. To sell or negotiate bonds, certificates of investments, etc. To sell or negotiate bonds, notes, certificates of investment and choses in action for the payment of money at any time, either fixed or uncertain, and to receive payments in installments or otherwise, with or without an allowance of interest upon such installments;

3. To charge fees for expense of making loan. To charge for a loan made pursuant to this section \$1 for each \$50 or fraction thereof loaned, for expenses, including any examination or investigation of the character and circumstances of the borrower, co-maker or surety, and the drawing and taking acknowledgment of necessary papers, or other expenses incurred in making the loan. No charge shall be collected unless a loan shall have been made as a result of such examination or investigation and no such charge shall exceed \$5;

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4. To establish branches. To establish branch offices or agencies in the manner and subject to the conditions prescribed for the establishment of branches or agencies in the case of trust companies;

5. To purchase securities. To purchase, invest in, hold and sell such notes, bonds and securities as are legal for investments of deposits in savings banks;

6. To make loans insured under National Housing Act. To make such loans as are eligible for insurance pursuant to the National Housing Act, Title I, and do apply for and obtain insurance on said loans pursuant to said Act.

R.S.1954, c. 59, § 205.