

MAINE STATE LEGISLATURE

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DOCUMENTS

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THE LEGISLATURE

OF THE

STATE OF MAINE,

DURING ITS SESSION

A. D. 1836.

AUGUSTA:
SMITH & ROBINSON,.....PRINTERS.

1836.

SIXTEENTH LEGISLATURE.

No. 50.

SENATE.

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT
HUNDRED AND THIRTY-SIX.

AN ACT to incorporate the Maine Farmer's
Loan and Trust Company.

SECT. 1. *Be it enacted by the Senate and
2 House of Representatives, in Legislature as-
3 sembled, That Jonathan P. Rogers, Samuel
4 E. Crocker, James Smith, Thomas Warren,
5 John Anderson, Mason Greenwood, Nathl. F.
6 Deering, Enoch Paine, William Willis, Ira
7 Crocker, Nathan Nutter, and their associates,
8 successors and assigns be, and are hereby creat-
9 ed and made a body politic and corporate, by
10 the name of the "Maine Farmer's Loan and
11 Trust Company," and by that name, they and*

12 their successors shall and may have continual
13 succession, and shall be capable of suing and
14 being sued, pleading and being impleaded, an-
15 swering and being answered to, defending and
16 being defended in all Courts and places whatso-
17 ever, in all manner of actions, suits, complaints,
18 matters and causes whatsoever; and that they
19 and their successors may have a common seal,
20 and make, change and alter the same at pleas-
21 ure; and also that they and their successors, by
22 the same name and style, shall be in law, capa-
23 ble of purchasing, holding, and conveying any
24 estates or effects, real and personal, (goods,
25 wares and merchandize excepted) which may
26 be hereafter mortgaged, pledged, hypothecated
27 or conveyed to them for any loans they may
28 make, or to secure the payment of the shares of
29 the capital stock of the said company, and also
30 such as shall or may be necessary for the ac-
31 commodation of the said corporation, or to pro-
32 mote, secure or obtain the objects of this corpo-
33 ration, hereinafter more particularly specified
34 and authorized: *Provided always*, That the
35 Legislature may, at their pleasure, after the ex-

36 piration of five years from and after the passing
37 of this Act, alter and modify all or any part
38 thereof, or expunge any or every section of the
39 same, as they may deem it proper. *Provided*
40 *also*, That any such alteration and modification
41 shall not annul or invalidate any of the engage-
42 ments or contracts entered into by or with the
43 said corporation. *And it is further provided*,
44 that the said corporation shall be authorized, as
45 a corporation, by their said name, after the said
46 Act shall be so altered and modified, to collect
47 and recover, and to dispose of their property,
48 real and personal, and to take all legal and ne-
49 cessary measures to settle all their concerns for
50 the purpose of dividing its moneys and effects,
51 or any part thereof, among the stockholders of
52 said corporation, in case such alterations or mod-
53 ification should require any such division; but
54 nothing contained herein shall authorize any
55 such division or payment to any stockholder or
56 of any part of the said capital stock of the said
57 corporation, until all and every engagement,
58 contract or obligation of the said corporation
59 shall be first fully paid and discharged.

SECT. 2. *And be it further enacted,* That the
2 said corporation shall have authority to make
3 loans on the security of bonds and mortgages, or
4 conveyance of improved farms, houses, manu-
5 factories, or other buildings, or on any other real
6 estate, or on the security of any of the stocks
7 hereinafter mentioned, and to call in the said
8 loans, or any part thereof and to reloan the same
9 on like securities as occasion may require, taking
10 and holding any such property, either by mort-
11 gage or fee conditional, or fee simple, or any
12 otherwise, and to be seized of and to hold the
13 same, until any such estates or property can be
14 conveniently sold and converted into money or
15 other personal property, to the full discharge
16 and payment of any such loans. And it shall
17 be lawful for the said Corporation to purchase
18 on sales, made by virtue of any judgment at law,
19 or decree in chancery, or by any special agree-
20 ment between the parties, or otherwise; to re-
21 ceive and take any real or personal property, in
22 payment or towards satisfaction of any debt, or
23 interest of such debt, previously contracted and
24 due, or to become due to the said Corporation,

25 and to hold the same until the whole or any part
26 can be converted into money or other personal
27 property.

SECT. 3. *And be it further enacted, That*
2 any such loans on bond and mortgage, or other
3 sureties on real estate, shall not be made paya-
4 ble in a shorter time than one year, and the in-
5 terest payable semi-annually, and the said cor-
6 poration shall not foreclose any such mortgages
7 or securities until after the expiration of three
8 years after the breach of the condition thereof:
9 *Provided* the interest thereon is punctually
10 paid; and in all cases where the said corpora-
11 tion have become the purchasers of any real es-
12 tate on which they have made loans, the mort-
13 gagers shall have the right of redemption of any
14 such property, on payment of the principal and
15 interest and costs, as long as it remains in the
16 hands of the said corporation unsold, and the
17 said mortgager shall have also the privilege of
18 paying the said corporation at any time when
19 the interest shall become due any part of the
20 principal of such loans: *And it is further de-*
21 *clared, That* the said corporation shall be bound

22 to sell and dispose of any real estate that may
23 be purchased by virtue of this Act, except such
24 as may be necessary for their accommodation in
25 the transaction of their business, within five
26 years after it acquires the same, and shall not
27 be capable of holding the same after the expira-
28 tion of the said five years, but the same shall,
29 immediately after the expiration of the said five
30 years be forfeited to and vested in the people of
31 this State: *And further,* That all sales under
32 the mortgages to be taken or holden by the said
33 corporation as aforesaid, shall be in the County
34 where the mortgaged property shall be situated.

SECT. 4. *And be it further enacted,* That the
2 said corporation are empowered to purchase and
3 hold any stock or funded debt, created or to be
4 created, or the stock of any incorporation for
5 the purpose of vesting therein any part of their
6 funds and moneys not otherwise loaned as afore-
7 said, and also to transfer the same for the pur-
8 pose of payment of expenses incurred, or mak-
9 ing loans on real estate, or for payment of divi-
10 dends, and again to invest the same, or any
11 part thereof, in any of the stocks aforesaid,
12 whenever and as often as the exigencies of the

13 said corporation, or a due regard to the interest
14 and safety of its funds may require: *Provided*
15 *always*, That it shall not be lawful for the said
16 corporation to use or employ any part of their
17 stock, funds or moneys in buying or selling any
18 goods, wares or merchandize, or in any pur-
19 chase or sale of any stock or fund created or to
20 be created by or under any Act of the United
21 States, or of any particular State, except as is
22 expressly authorized as aforesaid, according to
23 the true intent and meaning of this Act.

SECT. 5. *And be it further enacted*, That the
2 Capital Stock of the said Corporation may con-
3 sist of any number of shares not exceeding ten
4 thousand, and shall consist of at least one thous-
5 and at one hundred dollars each; and it shall
6 be lawful for the said Corporation, whenever,
7 and so soon as one hundred thousand dollars are
8 subscribed, and that amount paid into the said
9 Company, or satisfactorily secured, to commence
10 their business, and with that capital to conduct
11 and carry on their said business until they shall
12 find it expedient to extend their capital. And
13 it shall not be lawful for the said Corporation to
14 commence any business whatever, authorized.

15 by this Act, until the said amount of one hun-
16 dred thousand dollars shall have been subscribed
17 and actually paid for, or secured to be paid by
18 mortgages upon real estate, in this State, of at
19 least fifty per cent. above the value for which
20 the same shall be mortgaged, or by public stocks
21 already created or hereafter to be created of the
22 United States or of this State, or in the Stock
23 of any Bank in the State of Maine, which at
24 the time shall be above par value in the market;
25 which mortgages, so to be taken shall remain a
26 lien on the several estates to be mortgaged, un-
27 til the amount thereby secured shall have been
28 actually paid into the funds of the Corporation;
29 and if the said Corporation shall do any act or
30 thing contrary to the provisions of this Act,
31 all and singular, the rights, liberties and privi-
32 leges hereby granted, shall from thenceforth
33 cease and determine; and each and every di-
34 rector or other member of the said Corporation,
35 who may have agreed to or voted for any such
36 act or thing, contrary to the provisions of this
37 Act, shall be personally holden to each and ev-
38 ery person who may sustain any loss or damage
39 in consequence of such illegal act or thing.

SECT. 6. *And be it further enacted*, That the
2 said Corporation shall make loans on the secu-
3 rity of real estate within this State, within one
4 year from and after the passage of this Act, to
5 the amount of at least, one hundred thousand
6 dollars, and the said Corporation shall not give
7 any obligation for the payment of money, ex-
8 cept to enable them to fulfil any actual engage-
9 ment they may make or enter into for loans on
10 the security of any real estate, or on any interest
11 in land, but such obligations shall always be
12 under the seal of said Corporation, and shall
13 not be transferable.

SECT. 7. *And be it further enacted*, That the
2 Stockholders shall meet at such place as the
3 three first named persons in this Act shall ap-
4 point, due notice of the same being given in two
5 newspapers printed in the city of Portland, to
6 elect, on the first Monday in June next, and on
7 the same day annually thereafter, a President
8 and eleven persons as Directors and Trustees;
9 each share being entitled to one vote, and a
10 plurality of votes being sufficient for an election,
11 and their power and authority as Directors and
12 Trustees, shall commence from the time of said

13 election. And if it should so happen that the
14 Stockholders should omit to make such elections
15 on the first Monday in June in any year, from
16 and after the passage of this Act, then and in
17 such case it may be lawful for the Stockholders
18 to make said election on some other day; and
19 the President, Directors and Trustees hereto-
20 fore in office shall continue therein until such
21 new election takes place. And the said Presi-
22 dent, Directors and Trustees so chosen shall
23 constitute a board, and be competent to the
24 transaction of all the business of the said Cor-
25 poration, and all questions before them shall be
26 decided by a majority of voices; and they shall
27 have power to appoint committees of Directors,
28 and one or more assistants, and also to appoint
29 a Secretary, and such other officers, clerks and
30 servants, as they shall deem expedient and prop-
31 er for the well conducting and transacting of
32 their business; and they shall also have power,
33 at such times as to them shall seem meet, to
34 make and declare dividends of such part of the
35 profits resulting from the business of the said
36 company as they shall judge expedient and
37 proper; and shall also have power to make and

38 prescribe such by-laws, rules and regulations as
39 to them shall appear needful and proper, res-
40 pecting the management and disposition of the
41 stock, property, estate and effects of the said
42 Corporation; the compensation, salary or wages
43 and the duties of their officers or servants;
44 powers and conduct of the said officers and ser-
45 vants; the election and meeting of Directors;
46 the distribution and transfer of shares; the gen-
47 eral and particular management and conducting
48 of the said Corporation, and all matters apper-
49 taining thereto; and such by-laws, rules and
50 regulations, at their discretion, to repeal, alter
51 and modify: *Provided*, That such by-laws,
52 rules and regulations, shall not be repugnant to
53 the Constitution and Laws of this State or of
54 the United States.

SECT. 8. *And be it further enacted*, That
2 every Director and Trustee so appointed shall
3 be a Stockholder to the amount of ten shares at
4 least, and that the seat of every Trustee who
5 may cease to be a Stockholder to the amount of
6 ten shares, shall immediately be declared
7 vacant.

SECT. 9. *And be it further enacted*, That

2 every vacancy happening in the Board of Di-
3 rectors and Trustees by death, resignation, dis-
4 qualification or otherwise, shall be supplied by
5 the Directors at their next meeting thereafter.

SECT. 10. *And be it further enacted, That*
2 the Stock of the said Corporation shall be as-
3 signed and transferable, according to such rules,
4 and subject to such restrictions and regulations,
5 as the Board of Directors shall from time to
6 time make and establish, and shall be consider-
7 ed personal property; but in case the said Cor-
8 poration shall have any claim or demand against
9 any Stockholders thereof, whether such claim
10 or demand is due, or to become due at any fu-
11 ture period, such Stockholder shall not be en-
12 titled to make any transfer, sale or conveyance
13 of his stock in the said Corporation, or to re-
14 ceive a dividend thereon, until such claim or de-
15 mand shall be paid, or secured to be paid, to
16 the satisfaction of the Board of Directors; and
17 unless such claim or demand shall be paid in
18 the manner aforesaid, within three months after
19 the same shall become due, then such stock of
20 any such debtor, or so much thereof as shall be
21 sufficient for that purpose, may be sold by the

22 said Corporation by due process of law, and the
23 proceeds thereof applied towards the satisfaction
24 of such claim or demand.

SECT. 11. *And be it further enacted, That*
2 the said Corporation shall also have authority, to
3 receive and take, by deed or devise, any effects
4 and property, both real and personal, which may
5 be left or conveyed to them in trust, and to as-
6 sume, perform and execute any trust which has
7 been, or which may be created or declared by
8 any deed or devise as aforesaid; and the said
9 Corporation are authorized to receive, take, pos-
10 sess, and stand seized of, and to execute any and
11 all such trust or trusts, in their corporate capacity
12 and name, in the same manner and to the same
13 extent as any trustee or trustees might or could
14 lawfully do, and no further; but it is expressly de-
15 clared, that the privileges hereby granted to the
16 said Corporation, for receiving trusts, are solely
17 for the purpose of the protection of property so
18 conveyed to them, and not for the purpose of aid-
19 ing or promoting any traffic, in any kind of stocks,
20 or in any goods, wares or merchandize; and in
21 case any goods, wares or merchandize, shall be so
22 conveyed, in trust, as aforesaid, the said corpo-

23 ration shall dispose of the same, as soon as it
24 can be conveniently done, and the avails there-
25 of invested in stocks, or in bonds or mortgages,
26 or in other permanent securities, for the benefit
27 of the persons interested therein, and the said
28 privileges shall not be so construed, as legally
29 to empower the said corporation to take any
30 other kind of trusts, than such as are usual with
31 any other trustees: *Provided always*, that
32 this Act shall not extend to create any entail-
33 ment, trust or perpetuity, contrary to any ex-
34 isting provisions of law: *And provided further*,
35 That any such trust estate, so conveyed as
36 aforesaid, shall be confined and solely applied
37 to the purposes and interests of such trusts, and
38 for the benefit of all and every person or per-
39 sons, beneficially interested therein, and for
40 which purpose the said corporation shall keep
41 separate books and accounts, solely for the ob-
42 jects of such trusts; and the property so deriv-
43 ed, shall, in no case, be liable for the other
44 debts, contracts or liabilities and engagements
45 whatsoever, of said company: *And further*,
46 That nothing in this Act shall prevent the Le-
47 gislature hereafter, from altering, modifying, or

48 expunging, at their pleasure, any or every sec-
49 tion of this Act, relating to trusts, or which are
50 connected therewith, or to limit or to repeal the
51 same.

SECT. 12. *And be it further enacted, That*
2 it shall and may be lawful for the Court having
3 chancery jurisdiction in this State to exercise
4 the like jurisdiction in and over all such trust or
5 trusts, and in and over all and every the trust,
6 fund or funds, which the said Corporation shall
7 receive or become seized of, as aforesaid, in the
8 same manner and to the same extent, as the
9 said Court can or may do in all other trust es-
10 tates; and the said Corporation shall, at a con-
11 venient period in every year, and oftener, if so
12 desired or ordered by the said Court, return a
13 statement, in writing, to be signed by the Pre-
14 sident and Secretary of the said Corporation,
15 containing a true and just account of all and
16 every trust fund, in the possession of the said
17 Corporation, the object and intent thereof, and
18 the manner in which the same hath been vested
19 and applied: *And further, That* the President
20 and Secretary, for the time being, of the said
21 Corporation, shall be bound to answer, under

22 their respective oaths, any bill or other proceed-
23 ings which may be instituted in the said Court,
24 against them and the said Corporation, relative
25 to their trust property, in the same manner, and
26 as fully as any other persons, and the answer of
27 the said President and Secretary, shall be re-
28 ceived as evidence against the said Corporation,
29 and binding on the same.

SECT. 13. *And be it further enacted, That*
2 if the President, Directors, or officers of the
3 said Corporation, or any of them, shall be guilty
4 of any misapplication or improper use of the said
5 trust property, or of any part thereof, in addi-
6 tion to the liability of the said Corporation, the
7 person or persons so offending, shall be liable, in
8 their individual capacities and estates, to the
9 party or parties injured, for all damages thereby
10 sustained; and shall also forfeit and be liable to
11 pay to the said party so injured, the sum of five
12 hundred dollars, over and above the said dam-
13 age which may be so sustained, to be recovered
14 in any Court having competent jurisdiction.

SECT. 14. *And be it further enacted, That*
2 in respect of all debts which shall be contracted
3 by the said Corporation before the time limited

4 for the expiration of this Act, the persons com-
5 posing the said Corporation at the time of its
6 dissolution, shall be responsible in their individ-
7 ual and private capacities, to the extent of their
8 respective shares in the funds of the said Corpo-
9 ration at the time, and no further, in any suit or
10 action to be brought or prosecuted after the dis-
11 solution of the said Corporation.

STATE OF MAINE.

IN SENATE, March 5, 1836.

ORDERED, that three hundred copies of the foregoing Bill be printed for the use of the Legislature.

(Extract from the Journal.)

Attest, **WILLIAM TRAFTON**, Secretary.