

MAINE STATE LEGISLATURE

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DOCUMENTS

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THE LEGISLATURE

OF THE

STATE OF MAINE.

1860.

SIEVENS & SAYWARD, PRINTERS TO THE STATE.

1860.

THIRTY-NINTH LEGISLATURE.

SENATE.

No. 8.

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED
AND SIXTY.

AN ACT in addition to an act to incorporate the Norom-
bega Bank.

*Be it enacted by the Senate and House of Representatives
in Legislature assembled, as follows:*

SECTION 1. The president, directors and company of
2 the Norombega Bank, are restored to the rights given
3 by its charter, to the extent and for the limited pur-
4 poses, specified in section five of this act, in the same
5 manner as if no legal measures had been taken to re-
6 strain or enjoin its business operations or to appoint
7 receivers of its assets.

SECT. 2. The powers of the receivers are hereby
2 vacated, and they are required, by delivery or by ap-

3 appropriate instruments of assignment and conveyance,
4 to transfer to the directors of the bank, all the assets,
5 funds, properties, books, evidences of debts and other
6 papers under their control as receivers, in whatever
7 place, form or condition they may exist, first deducting
8 the amount due to them for their services. And the
9 directors are empowered to receive such transferred
10 property for the use of the bank, and give receipt for
11 the same.

SECT. 3. The foregoing sections, are to take effect
2 and be in force only upon condition that the bank
3 within thirty days, shall furnish to the receivers a
4 document in writing, signed by the treasurer of the
5 state, certifying that the bank has filed in his office, a
6 bond with sufficient sureties, in the penal sum of two
7 hundred thousand dollars, and in the following form,
8 approved by the governor, which bond, the treasurer
9 is to hold in trust for the use of the note holders, de-
10 positors and other creditors of the bank. And the
11 bank is hereby authorized to make, execute and deliver
12 such bond. And the signatures of a majority of the
13 directors as such, shall bind the bank.

14 “Know all men that we, the president, directors and
15 company of the Norombega Bank, as principal, and
16 ———, ———, as sureties, are bound and obliged
17 unto Nathan Dane, treasurer of the State of Maine, in

18 the sum of —— hundred thousand dollars, to be paid
19 to said treasurer or to his successor in that office, to
20 which payment we bind ourselves, our heirs, executors
21 and administrators, firmly by these presents. Given
22 under our hands and seals this —— day of ——
23 in the year of our Lord one thousand eight hundred
24 and sixty.”

25 The condition of the foregoing obligation is such, that
26 if the Norombega Bank shall pay [A.] all its bank notes
27 and the amount due its depositors and all other of its
28 creditors, then this bond is void.

SECT. 4. Any note holder, depositor or other creditor
2 of the bank, or person or corporation whose claim has
3 been presented for allowance to the receivers, being
4 injured by neglect of the bank to make payment on
5 demand, may, after said bank has received its property
6 from the receivers as provided in section second of this
7 act, at his own expense and in the name of the treas-
8 urer of the state, institute [B.] a suit upon the bond, in
9 the court for the county of Penobscot, and prosecute the
10 same to final judgment. The name and residence of
11 the person bringing the suit, shall be endorsed on the
12 writ; and if there be failure to maintain the suit, the
13 endorser shall be liable to cost. If judgment be ren-
14 dered for the treasurer, it shall be for the use of the
15 person instituting the suit, for the amount due, with

16 interest thereon, from the time of the demand, at the
17 rate of twenty per cent. yearly, not however to exceed
18 the penalty of the bond. [C.] And any other person,
19 having a like cause of action, may in like manner
20 institute and maintain suit on the bond until the ag-
21 gregate of judgments recovered thereon shall equal the
22 penal sum. And service of the writ on the president
23 of the bank, shall be sufficient notice to all sureties on
24 the bond.

SECT. 5. After having furnished to the receivers the
2 certificate of the treasurer of the state as above pro-
3 vided for, and thereupon received the assets from the
4 receivers, the bank is not to make new loans, nor issue
5 its own notes, but may collect its debts, sell and assign
6 its assets and estates, pay its indebtedments and do all
7 other acts needful for closing its corporate concerns.
8 [D.] And all the remedies prescribed by the statute
9 on “banks and savings institutions,” against the bank
10 and against its directors and stockholders for delin-
11 quency in the management of the bank concerns and
12 for non-payment of its indebtedness, shall continue in
13 force.

[E. and F.]

SECT. 6. This act shall take effect and be in force
2 from and after its approval by the governor.

AMENDMENTS.

[A.]

Amend section third in line twenty-five, by inserting
2 after the word pay, “on demand.”

[B.]

Amend section four, in line eight, by inserting after
2 the word institute, “and maintain for his just claims
3 against the bank.”

[C.]

Amend section four, in line eighteen, by inserting
2 after the word bond, “no suit however can be main-
3 tained on the bond which is commenced, or for any
4 demand made prior to the first day of May next.”

[D.]

Amend section five, in line seventh, by inserting after
2 the word concerns, “but in accordance with the limi-
3 tations and provisions of section six of this act.”

[E.]

Amend, by adding after the fifth section :

SECT. 6. No officer or servant of said bank shall
2 issue, loan or put into circulation any of the notes or
3 bills of the said bank, or loan any of the money of the
4 said bank or deliver any valuable property of said bank

5 to any person or use, or appropriate any of the moneys,
6 assets or valuable property of said bank, except to pay
7 and redeem its bills and debts due its depositors for
8 deposits and amounts which appear due by any receipt
9 or schedule given by the receivers for any claim pre-
10 sented by any bill holder or depositor for examination
11 and allowance, and any, and all liabilities incurred by
12 said receivers or debts due them, which payments of
13 the bills and depositors, and persons having such
14 receipts or schedules, the said officers and servants
15 may make. And they may also collect or compound
16 the debts due the bank, sell and assign its assets and
17 estates, or deposit the money or other property of
18 said bank in any other bank in Bangor until required
19 for the purposes aforesaid, and said officers and ser-
20 vants, having paid all the bills and also the claims of
21 depositors for deposits, and other persons having re-
22 ceipts and schedules as aforesaid presented for payment
23 before the first day of June next, may then pay the
24 other indebtedments, (if any,) of said bank, and after the
25 first day of September next, having paid all the bills
26 and also the claims of depositors for deposits and other
27 persons as aforesaid, presented before that day may
28 then do all acts needful for the closing of the corporate
29 concerns of said bank. Any violation of the provis-
30 ions of this section is declared to be a high misde-

31 meanor and the persons guilty thereof, shall be punished
32 as provided in chapter forty-seven, section eighty-three
33 of the revised statutes.

SECT. 7. Nothing in the preceding section shall take
2 away, lessen or modify any of the remedies prescribed
3 by chapter forty-seven of the revised statutes relating
4 to banks and savings institutions.

[F.]

SECT. 8. In case the document in writing mentioned
2 in the third section is not made and signed by the
3 treasurer of the state in thirty days after the approval
4 of this act by the governor, then it shall be the duty
5 of the receivers of said bank to collect or compound
6 the debts due the bank, and sell, convey and assign
7 the assets and estates of said bank and convert the
8 same into money and no claim or demand against said
9 bank shall be examined and allowed by said receivers
10 after the first day of July next; and in case said
11 receivers have not collected sufficient money to pay all
12 the claims examined and allowed by them with all
13 costs and their fees for services, on or before the first
14 day of July next, then the said receivers shall sell at
15 public auction, first giving thirty days notice of the
16 time and place of sale, all the remaining notes, bills of
17 exchange, claims, demands and property of said bank,

18 and the said receivers on or before the tenth day of
19 August next, shall first pay the bill holders and depos-
20 itors of said bank, whose claims have been examined
21 and allowed, and then the other indebtedments of said
22 bank the claims for which have been examined and
23 allowed out of the moneys collected and obtained by
24 them, first deducting their own charges and fees.

SECT. 9. If the receivers shall neglect to execute or
2 fail to fulfill any of the duties imposed upon them by
3 virtue of the eighth section of this act, the bank com-
4 missioners may apply to any judge of the supreme
5 judicial court to revoke the authority of said receivers
6 and appoint others in their stead, and any judge of the
7 court on such application may so revoke the authority
8 of the receivers and appoint others.

Amend section six, after the word section—the fol-
2 lowing figure—“ 10.”

STATE OF MAINE.

IN SENATE, Feb. 11, 1860.

This Bill, reported by the Committee on Banks and Banking, and amended in the House as per sheets annexed, was laid on the table in the Senate, and with the amendments ordered to be printed for the use of the Legislature.

JAMES M. LINCOLN, *Secretary.*