

# MAINE STATE LEGISLATURE

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# Sixty-Seventh Legislature.

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SENATE.

No. 268.

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## STATE OF MAINE.

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IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED  
AND NINETY-FIVE.

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AN ACT to incorporate the Vinalhaven Trust and Banking  
Company.

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

SECTION 1. Horace M. Noyes, F. S. Walls, George S.  
2 Carver, J. W. Wilcox, J. H. Sanborn, E. H. Lyford,  
3 Thomas G. Libby, John Lowe, J. S. Black, Charles Lit-  
4 tlefield, C. B. Smith, A. A. Mahoney, R. W. Wiley,  
5 George R. Doak, D. H. Glidden, C. T. Noyes, Alex-  
6 ander Davidson and Thaddeus C. Carver, or such of them  
7 as may by vote accept this charter, with their associates,  
8 successors and assigns are hereby made a body corporate  
9 and politic, to be known as the Vinalhaven Trust and  
10 Banking Company, and as such shall be possessed of all  
11 the powers, privileges and immunities, and subject to all

12 the duties and obligations conferred on corporations by  
13 law.

SECT. 2. The corporation hereby created shall be lo-  
2 cated at Vinalhaven, Knox county, Maine.

SECT. 3. The purposes of said corporation and the  
2 business which it may perform, are: first, to receive on  
3 deposit, money, coin, bank notes, evidences of debt,  
4 accounts of individuals, companies, corporations, munici-  
5 palities and states, allowing interest thereon, if agreed,  
6 or as the by-laws of said corporation may provide;  
7 second, to borrow money, to loan money on credits or  
8 real estate or personal security, and to negotiate loans  
9 and sales for others; third, to own and maintain safe  
10 deposit vaults, with boxes, safes, and other facilities  
11 therein to be rented to other parties for the safe keeping  
12 of moneys, securities, stocks, jewelry, plate, valuable  
13 papers and documents, and other property susceptible of  
14 being deposited therein, and may receive on deposit for  
15 safe keeping, property of any kind entrusted to it for that  
16 purpose; fourth, to act as agent for issuing, registering  
17 and countersigning certificates, bonds, stocks, and all evi-  
18 dences of debt or ownership in property; fifth, to hold by  
19 grant, assignment, transfer, devise or bequest, any real  
20 or personal property or trusts duly created, and to exe-  
21 cute trusts of every description; sixth, to act as assignee,  
22 receiver, executor, and no surety shall be necessary upon  
23 the bond of the corporation, unless the court or officer  
24 approving such bond shall require it; seventh, to do in  
25 general all the business that may lawfully be done by a  
26 trust and banking company, but said corporation shall not  
27 have the power or authority to establish branches.

SECT. 4. The capital stock of said corporation shall  
2 not be less than fifty thousand dollars, divided into shares  
3 of one hundred dollars each, with the right to increase the  
4 said capital stock at any time by a vote of the shareholders  
5 to any amount not exceeding five hundred thousand dollars.  
6 Said corporation shall not commence business as a trust or  
7 banking company, until stock to the amount of at least  
8 fifty thousand dollars shall have been subscribed and paid  
9 in in cash.

SECT. 5. Said corporation shall not make any loan or  
2 discount on the security of the shares of its own capital  
3 stock, nor be the purchaser or holder of any such shares  
4 unless necessary to prevent loss upon a debt previously con-  
5 tracted in good faith; and all stock so acquired shall within  
6 six months from the time of its acquisition be disposed of  
7 at public or private sale.

SECT. 6. All the corporate powers of this corporation  
2 shall be exercised by a board of trustees, who shall be  
3 residents of this state, whose number and term of office  
4 shall be determined by a vote of the shareholders at the  
5 first meeting held by the incorporators and at each annual  
6 meeting thereafter. The affairs and powers of the corpo-  
7 ration may, at the option of the shareholders, be entrusted  
8 to an executive board of five members, to be, by vote of  
9 the shareholders, elected from the full board of trustees.  
10 The trustees of said corporation shall be sworn to the  
11 proper discharge of their duties, and they shall hold office  
12 until others are elected and qualified in their stead. If a  
13 trustee or director dies, resigns, or becomes disqualified  
14 for any cause, the remaining trustees or directors may  
15 appoint a person to fill the vacancy until the next annual

16 meeting of the corporation. The oath of office of such  
17 trustee or director shall be taken within thirty days of his  
18 election, or his office shall become vacant. The clerk of  
19 such corporation shall, within ten days, notify such trustees  
20 or directors of their election, and within thirty days shall  
21 publish the list of all persons who have taken the oath of  
22 office as trustees or directors.

SECT. 7. The board of trustees or directors of said  
2 corporation shall constitute the board of investment of  
3 said corporation. Said trustees or directors shall keep in  
4 a separate book, specially provided for the purpose, a  
5 record of all loans and investments of every description  
6 made by said institution substantially in the order of time  
7 when such loans or investments are made, which shall  
8 show that such loans or investments have been made with  
9 the approval of the investment committee of said cor-  
10 poration, which shall indicate such particulars respecting  
11 such loans or investments as the bank examiner shall  
12 direct. This book shall be submitted to the trustees or  
13 directors, and to the bank examiner whenever requested.  
14 Such loans or investments shall be classified in the book  
15 as the bank examiner may direct. No loan shall be made  
16 to an officer or director of said banking or trust company  
17 except by the unanimous approval of the executive board  
18 in writing, and said corporation shall have no authority to  
19 hire money or to give notes unless by vote of the said  
20 board duly recorded.

SECT. 8. No person shall be eligible to the position of  
2 a director or trustee of said corporation, who is not the  
3 actual owner of ten shares of the stock.

SECT. 9. Said corporation, after beginning to receive  
2 deposits, shall, at all times, have on hand in lawful money,

3 as a reserve, not less than fifteen per cent of the aggregate  
4 amount of its deposits which are subject to withdrawal on  
5 demand, provided, that in lieu of lawful money, two-thirds  
6 of said fifteen per cent may consist of balances payable on  
7 demand, due from any national or state bank.

SECT. 10. All the property or money held in trust by  
2 this corporation shall constitute a special deposit, and the  
3 accounts thereof and of said trust department shall be kept  
4 separate, and such funds and the investment or loans  
5 of them shall be especially appropriated to the security  
6 and payment of such deposits, and not be subject to any  
7 other liabilities of the corporation; and for the purpose of  
8 securing the observance of this proviso, said corporation  
9 shall have a trust department in which all business per-  
10 taining to such trust property shall be kept separate and  
11 distinct from its general business.

SECT. 11. An administrator, executor, assignee, guar-  
2 dian or trustee, any court of law or equity, including  
3 courts of probate and insolvency, officers and treasurers of  
4 towns, cities, counties and savings banks of the state of  
5 Maine may deposit any moneys, bonds, stocks, evidences  
6 of debt or of ownership in property, or any personal prop-  
7 erty, with said corporation, and any of said courts may  
8 direct any person deriving authority from them to so deposit  
9 the same.

SECT. 12. Each shareholder of this corporation shall  
2 be individually responsible for all contracts, debts and  
3 engagements of said corporation to a sum equal to the  
4 amount of the par value of the shares owned by him, in  
5 addition to the amount invested in said shares.

SECT. 13. Such corporation shall set apart as a guar-  
2 anty fund not less than ten per cent of its net earnings in

3 each and every year until such fund with the accumulated  
4 interest thereon shall amount to one-fourth of the capital  
5 stock of said corporation.

SECT. 14. The shares of said corporation shall be sub-  
2 ject to taxation in the same manner and rate as are the  
3 shares of national banks.

SECT. 15. Said corporation shall be subject to examina-  
2 tion by the bank examiner, who shall visit it at least once  
3 in every year, and as much oftener as he may deem expe-  
4 dient. At such visits he shall have free access to its  
5 vaults, books and papers, and shall thoroughly inspect  
6 and examine all the affairs of said corporation, and make  
7 such inquiries as may be necessary to ascertain its condi-  
8 tion and ability to fulfill all its engagements. If upon  
9 examination of said corporation, the examiner is of the  
10 opinion that its investments are not in accordance with  
11 law, or said corporation is insolvent, or its condition is  
12 such as to render its further proceedings hazardous to the  
13 public or to those having funds in its custody, or is of the  
14 opinion that it has exceeded its powers or failed to comply  
15 with any of the rules or restrictions provided by law, he  
16 shall have such authority and take such action as is pro-  
17 vided for in the case of savings banks by chapter 47 of  
18 Revised Statutes. He shall preserve in a permanent form  
19 a full record of his proceedings, including a statement of  
20 the condition of said corporation. A copy of such state-  
21 ment shall be published by said corporation immediately  
22 after the annual examination of the same in some news-  
23 paper published where said corporation is established. If  
24 no paper is published in the town where said corporation  
25 is established, then it shall be published in a newspaper

26 printed in the nearest city or town. The necessary  
27 expenses of the bank examiner while engaged in making  
28 such examination shall be paid by said corporation.

SECT. 16. Any five of the corporators named in this  
2 act may call the first meeting of this corporation by mailing  
3 a written notice, signed by all, postage paid, to each of the  
4 other corporators, seven days at least before the day of the  
5 meeting, naming the time, place and purpose of such meet-  
6 ing, and at such meeting the necessary officers may be  
7 chosen, by-laws adopted and any other corporate business  
8 transacted.

SECT. 17. This act shall take effect when approved.



STATE OF MAINE.

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IN SENATE, March 21, 1895.

Reported by Mr. HUME, from Committee on Banks and Banking,  
and laid on table to be printed under joint rules.

KENDALL M. DUNBAR, *Secretary*.