

MAINE STATE LEGISLATURE

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Sixty-Eighth Legislature.

SENATE.

No. 187.

STATE OF MAINE.

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

AN ACT to incorporate the South Portland Trust and Bank-
ing Company.

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

Section 1. N. F. Trefethen, C. A. Tilton, J. W. Lowell,
2 L. H. Cobb, J. C. Knapp, E. C. Reynolds, E. E. Heckbert,
3 F. G. Hamilton, L. S. Arey, J. H. Syphers, C. A. Vincent,
4 W. E. Dyer, J. S. Fickett, H. E. Cash and A. E. Thurrell, or
5 such of them as may by vote accept this charter, with their
6 associates, successors and assigns are hereby made a body
7 corporate and politic, to be known as the South Portland
8 Trust and Banking Company, and as such shall be possessed
9 of all the powers, privileges and immunities and subject to
10 all the duties and obligations conferred on corporations by
11 law.

Sect. 2. The corporation hereby created shall be located
2 at South Portland, Cumberland county, Maine.

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

Sect. 4. The capital stock of said corporation shall not be
2 less than fifty thousand dollars, divided into shares of one
3 hundred dollars each, with the right to increase said capital

4 stock at any time by a vote of the shareholders to any
5 amount not exceeding five hundred thousand dollars. Said
6 corporation shall not commence business as a trust or bank-
7 ing company, until stock to the amount of at least fifty thou-
8 sand dollars shall have been subscribed and paid in, in
9 cash.

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

Sect. 6. All the corporate powers of this corporation shall
2 be exercised by a board of trustees, who shall be residents of
3 this State, whose number and term of office shall be deter-
4 mined by a vote of the shareholders at the first meeting held
5 by the incorporators and at each annual meeting thereafter.
6 The affairs and powers of the corporation may, at the option
7 of the shareholders, be entrusted to an executive board of
8 five members, to be, by vote of the shareholders, elected
9 from the full board of trustees. The trustees of said corpora-
10 tion shall be sworn to the proper discharge of their duties
11 and they shall hold office until others are elected and quali-
12 fied in their stead. If a trustee or director dies, resigns, or
13 becomes disqualified for any cause, the remaining trustees
14 or directors may appoint a person to fill the vacancy until
15 the next annual meeting of the corporation. The oath of
16 office of such trustee or director shall be taken within thirty
17 days of his election, or his office shall become vacant. The
18 clerk of such corporation shall, within ten days, notify such

19 trustees or directors of their election, and within thirty days
20 shall publish the list of all persons who have taken the oath
21 of office as trustees or directors.

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

Sect. 8. No person shall be eligible to the position of a
2 director or trustee of said corporation who is not the actual
3 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 this
2 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 of them
5 shall be especially appropriated to the security and payment
6 of such deposits, and not be subject to any other liabilities
7 of the corporation; and for the purpose of securing the
8 observance of this proviso, said corporation shall have a
9 trust department in which all business pertaining to such
10 trust property shall be kept separate and distinct from its
11 general business.

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

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

Sect. 13. Such corporation shall set apart as a guaranty
2 fund not less than ten per cent. of its net earnings in each
3 and every year until such fund with the accumulated interest
4 thereon, shall amount to one-fourth of the capital stock of
5 said corporation.

Sect. 14. The shares of said corporation shall be subject
2 to taxation in the same manner and rate as are the shares
3 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 expedi-
4 ent. At such visits he shall have free access to its vaults,
5 books and papers, and shall thoroughly inspect and examine
6 all the affairs of said corporation, and make such inquiries
7 as may be necessary to ascertain its condition and ability
8 to fulfill all its engagements. If upon examination of said
9 corporation the examiner is of the opinion that its invest-
10 ments are not in accordance with law, or said corporation
11 is insolvent, or its condition is such as to render its further
12 proceedings hazardous to the public or to those having
13 funds in its custody, or is of the opinion that it has exceeded
14 its powers or failed to comply with any of the rules or
15 restrictions provided by law, he shall have such authority
16 and take such action as is provided for in the case of sav-
17 ings banks by chapter forty-seven of the Revised Statutes.
18 He shall preserve in a permanent form a full record of his
19 proceedings, including a statement of the condition of said
20 corporation. A copy of such statement shall be published
21 by said corporation immediately after the annual exami-
22 nation of the same in some newspaper published where said
23 corporation is established. If no paper is published in the
24 town where said corporation is established, then it shall be
25 published in a newspaper printed in the nearest city or town.
26 The necessary expenses of the bank examiner while engaged
27 in making such examination shall be paid by said corpo-
28 ration.

Sect. 16. Any five of the corporators named in this act
2 may call the first meeting of this corporation by mailing a
3 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.

IN SENATE, March 18, 1897.

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

KENDALL M. DUNBAR, *Secretary*.