

MAINE STATE LEGISLATURE

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Sixty-Ninth Legislature.

HOUSE.

No. 245

STATE OF MAINE.

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

AN ACT to incorporate the Boothbay Harbor Banking Com-
pany.

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

Section 1. Luther Maddocks, S. T. Maddocks, C. R. Tup-
2 per, C. J. Marr, W. E. Blossom, W. T. Marr, W. M. Simpson,
3 H. W. McDougall, Thos. W. Baldwin, A. H. Kenniston and
4 A. R. Nickerson, or such of them as may by vote accept this
5 charter, with their associates, successors and assigns, are
6 hereby made a body corporate and politic, to be known as
7 the Boothbay Harbor Banking Company, and as such shall
8 be possessed of all the powers, privileges and immunities and
9 subject to all the duties and obligations conferred on cor-
10 porations by law.

Sect. 2. The corporation hereby created shall be located
2 at Boothbay Harbor, Lincoln county, Maine.

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

Sect. 4. The capital stock of said corporation shall not be less than fifty thousand dollars, divided into shares of one hundred dollars each, with the right to increase the said capital stock at any time by a vote of the shareholders to any amount not exceeding five hundred thousand dollars. Said corporation shall not commence business as a trust or banking company, until stock to the amount of at least fifty thousand dollars shall have been subscribed and paid in, in 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 pub-
7 lic 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 from
9 the full board of trustees. The trustees of said corporation
10 shall be sworn to the proper discharge of their duties and
11 they shall hold office until others are elected and qualified in
12 their stead. If a trustee or director dies, resigns, or becomes
13 disqualified for any cause, the remaining trustees or directors
14 may appoint a person to fill the vacancy until the next annual
15 meeting of the corporation. The oath of office of such
16 trustee or director shall be taken within thirty days
17 of his election, or his office shall become vacant. The clerk
18 of such corporation, shall within ten days, notify such trus-
19 tees or directors of their election, and within thirty days shall
20 publish the list of all persons who have taken the oath of
21 office as trustees or directors.

Sect. 7. The board of trustees or directors of said corpora-
2 tion shall constitute the board of investment of said corpo-
3 ration. Said trustees or directors shall keep in a separate
4 book, specially provided for the purpose, a record of all loans,
5 and investments of every description made by said institu-

tion substantially in the order of time when such loans or investments are made, which shall show that such loans or investments have been made with the approval of the investment committee of said corporation, which shall indicate such particulars respecting such loans or investments as the bank examiner shall direct. This book shall be submitted to the trustees or directors and to the bank examiner whenever requested. Such loans or investments shall be classified in the book as the bank examiner shall direct. No loan shall be made to any officer or director of said banking or trust company except by the unanimous approval of the executive board in writing, and said corporation shall have no authority to hire money or to give notes unless by vote of the said board duly recorded.

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

Sect. 9. Said corporation, after beginning to receive deposits, shall, at all times, have on hand in lawful money as a reserve not less than fifteen per cent of the aggregate amount of its deposits which are subject to withdrawal on demand, provided, that in lieu of lawful money, two-thirds of said fifteen per cent may consist of balances payable on demand, due from any national or State bank.

Sect. 10. All the property or money held in trust by this corporation shall constitute a special deposit and the accounts thereof and of said trust department shall be kept separate, and such funds and the investment or loans of them shall be specially appropriated to the security and payment of such deposits, and not be subject to any other liabilities of the corporation; and for the purpose of securing the observance of this proviso, said corporation shall have a trust department in which all business pertaining to such trust property shall be kept separate and distinct from its 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 of 4 the par value of the shares owned by him, in addition to the 5 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 and 3 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 examination 2 by the bank examiner, who shall visit it at least once in every 3 year, and as much oftener as he may deem expedient. At 4 such visits he shall have free access to its vaults, books and 5 papers, and shall thoroughly inspect and examine all the 6 affairs of said corporation, and make such inquiries as may 7 be necessary to ascertain its condition and ability to fulfill 8 all its engagements. If upon examination of said corporation 9 the examiner is of the opinion that its investments are not 10 in accordance with law, or said corporation is insolvent, or 11 its condition is such as to render its further proceedings 12 hazardous to the public or to those having funds in its

13 custody, or is of the opinion that it has exceeded its powers
14 or failed to comply with any of the rules or restrictions pro-
15 vided by law, he shall have such authority and take such
16 action as is provided for in the case of savings banks by
17 chapter forty-seven of the Revised Statutes. He shall pre-
18 serve in a permanent form a full record of his proceedings,
19 including a statement of the condition of said corporation.
20 A copy of such statement shall be published by said corpo-
21 ration immediately after the annual examination of the same
22 in some newspaper published where said corporation is estab-
23 lished. If no paper is published in the town where said cor-
24 poration is established, then it shall be published in a news-
25 paper printed in the nearest city or town. The necessary
26 expenses of the bank examiner while engaged in making such
27 examination shall be paid by said corporation.

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

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



STATE OF MAINE.

HOUSE OF REPRESENTATIVES,

Augusta, March 2, 1899.

Reported by Mr. DEERING of Saco, from Committee on Banks and Banking, and ordered printed under joint rules.

W. S. COTTON, *Clerk.*