

# MAINE STATE LEGISLATURE

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# Seventieth Legislature.

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HOUSE.

No. 332

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## STATE OF MAINE.

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

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An ACT to incorporate the Bangor Loan and Trust Com-  
pany.

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

Section 1. Charles V. Lord, George Varney, Franklin  
2 A. Wilson, Llewellyn J. Morse, Nathaniel Lord, Moses  
3 Giddings, Philo A. Strickland and Charles F. Woodard,  
4 or such of them as may by vote accept this charter, with  
5 their associates, successors and assigns, are hereby made a  
6 body corporate and politic to be known as the Bangor  
7 Loan and Trust Company, and as such shall be possessed  
8 of all the powers, privileges and immunities and subject  
9 to all the duties and obligations conferred on corporations  
10 by law

Sect. 2. The corporation hereby created shall be located  
2 at Bangor, Penobscot county, Maine.

Sect. 3. The purposes of said corporation and the busi-  
2 ness which it may perform, are; first, to receive on  
3 deposit, money, coin, bank notes, evidences of debt,  
4 accounts of individuals, companies, corporations, muni-  
5 cipalities and states, allowing interest thereon, if agreed,  
6 or as the by-laws of said corporation may provide; second,  
7 to borrow money, to loan money on credits, or real  
8 estate, or personal security, and to negotiate loans and  
9 sales for others; third, to own and maintain safe deposit  
10 vaults, with boxes, safes and other facilities therein, to be  
11 rented to other parties for the safe keeping of moneys,  
12 securities, stocks, jewelry, plate, valuable papers and  
13 documents, and other property susceptible of being  
14 deposited therein, and may receive on deposit for safe  
15 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  
18 evidences of debt or ownership in property; fifth, to hold  
19 by grant, assignment, transfer, devise or bequest, any real  
20 or personal property or trusts duly created, and to execute  
21 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 become  
25 surety upon any bond required to be given by any party  
26 in any matter or proceeding in any court, or by any per-  
27 son holding any position of trust in which a bond is  
28 required, and upon any bond required to be given under  
29 any law or regulation of any department of the govern-

30 ment of the United States ; eighth, to do in general all the  
31 business that may lawfully be done by trust and banking  
32 companies.

Sect. 4. The capital stock of said corporation shall not  
2 be less than fifty thousand dollars, divided into shares of  
3 one hundred dollars each, with the right to increase the  
4 said capital stock at any time, by 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  
5 contracted in good faith ; and all stock so acquired shall,  
6 within six months from the time of its acquisition, be dis-  
7 posed of at public or private sale.

Sect. 6. All the corporate powers of this corporation  
2 shall be exercised by a board of directors, 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 directors.  
10 The directors 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 director dies, resigns, or becomes disqualified for any  
14 cause, the remaining directors may appoint a person to fill  
15 the vacancy until the next annual meeting of the corpora-  
16 tion. The oath of office of such director shall be taken  
17 within thirty days of his election, or his office shall become  
18 vacant. The clerk of such corporation shall, within ten  
19 days, notify such directors of their election, and within  
20 thirty days shall publish the list of all persons who have  
21 taken the oath of office as directors.

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

Sect. 8. No person shall be eligible to the position of  
2 a director of said corporation who is not the actual owner  
3 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  
7 on 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  
4 kept separate, and such funds and the investment or loans  
5 of them shall be specially appropriated to the security and  
6 payment of such deposits, and not be subject to any other  
7 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 pertain-  
10 ing to such trust property shall be kept separate and dis-  
11 tinct from its general business.

Sect. 11. An administrator, executor, assignee, guard-  
2 ian or trustee, any court of law or equity, including courts  
3 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  
9 deposit the same.

Sect. 12. The shareholders of this corporation shall be  
2 individually responsible, equally and ratably, and not one  
3 for the other, for all contracts, debts and engagements of  
4 said corporation, to a sum equal to the amount of the par

5 value of the shares owned by each in addition to the  
6 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 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  
5 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 forty-  
18 seven of the Revised Statutes. He shall preserve in a  
19 permanent form a full record of his proceedings, including  
20 a statement of the condition of said corporation. A copy  
21 of such statement shall be published by said corporation

22 immediately after the annual examination of the same in  
23 some newspaper published where said corporation is estab-  
24 lished. If no paper is published in the town where said  
25 corporation is established, then it shall be published in a  
26 newspaper printed in the nearest city or town. The  
27 necessary expenses of the bank examiner while making  
28 such examination shall be paid by the corporation.

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

Section 17. This act shall take effect when approved.



STATE OF MAINE.

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IN HOUSE OF REPRESENTATIVES,

AUGUSTA, March 7, 1901.

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

W. S. COTTON, *Clerk.*