

# MAINE STATE LEGISLATURE

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# Seventieth Legislature.

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HOUSE.

No. 436

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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 Waldo Trust Company.

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

Section 1. Hayward Peirce, David H. Smith, Ellery Bow-  
2 den, N. S. Blethen, Albert Peirce and A. T. Snow, or such  
3 of them as may by vote accept this charter, with their asso-  
4 ciates, successors and assigns, are hereby made a body cor-  
5 porate and politic to be known as the Waldo Trust Com-  
6 pany, and as such shall be possessed of all the powers, priv-  
7 ileges and immunities and subject to all the duties and ob-  
8 ligations conferred on corporations by law.

Sect. 2. The corporation hereby created shall be located  
2 either at Frankfort or Winterport, Waldo county, Maine.

Sect. 3. The purposes of said corporation and the busi-  
2 ness which it may perform, are: First, to receive on de-

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

Sect. 4. The capital stock of said corporation shall not  
2 be less than twenty-five thousand dollars, divided into  
3 shares of one hundred dollars each, with the right to in-  
4 crease the said capital stock at any time, by vote of the  
5 shareholders, to any amount not exceeding five hundred  
6 thousand dollars. Said corporation shall not commence  
7 business as a trust or banking company, until stock to the  
8 amount of at least twenty-five thousand dollars shall have  
9 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  
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  
3 of this state, whose number and term of office shall be de-  
4 termined by a vote of the shareholders at the first meeting  
5 held by the incorporators and at each annual meeting there-  
6 after. The affairs and powers of the corporation may, at  
7 the option of the shareholders, be entrusted to an executive  
8 board of five members to be, by vote of the shareholders,  
9 elected from the full board of trustees. The trustees of  
10 said corporation shall be sworn to the proper discharge of  
11 their duties, and they shall hold office until others are elected  
12 and qualified in their stead. If a trustee or director dies,  
13 resigns, or becomes disqualified for any cause, the remain-  
14 ing trustees or directors may appoint a person to fill the  
15 vacancy until the next annual meeting of the corporation.  
16 The oath of office of such trustee or director shall be taken  
17 within thirty days of his election, or his office shall become  
18 vacant. The clerk of said corporation shall, within ten  
19 days, notify such trustees or directors of their election, and  
20 within thirty days shall publish the list of all persons who  
21 have taken the oath 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 of  
5 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 or 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 corpo-  
18 ration shall have no authority to hire money or to give  
19 notes unless by vote of the said board duly recorded.

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

Sect. 9. Said corporation after beginning to receive de-  
2 posits, shall, at all times, have on hand in lawful money, as  
3 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 ac-  
3 counts thereof and of said trust department shall be kept  
4 separate, and such funds and the investment or loans of  
5 them shall be specially appropriated to the security and  
6 payment of such deposits, and not to 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 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, 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  
5 may deposit any moneys, bonds, stocks, evidences of debt  
6 or of ownership in property, or any personal property, with  
7 said corporation, and any of said courts may direct any per-  
8 son deriving authority from them to so deposit the same.

Sect. 12. Each shareholder of this corporation shall be  
2 individually responsible equally and ratably and not one for  
3 the other, for all contracts, debts and engagements of said  
4 corporation to a sum equal to the amount of the par value  
5 of the shares owned by each, in addition to the amount in-  
6 vested 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 in-  
4 terest thereon, shall amount to one-fourth of the capital  
5 stock of said corporation.

Sect. 14. The shares of said corporation shall be subject  
2 to taxation in the same manner and rates 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 in  
3 every year, and as much oftener as he may deem expedient.  
4 At such visits he shall have free access to its vaults, books  
5 and papers, and shall thoroughly inspect and examine all  
6 the affairs of said corporation, and make such inquiries as  
7 may be necessary to ascertain its condition and ability to  
8 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 re-  
15 strictions provided by law, he shall have such authority and  
16 take such action as is provided for in the case of savings  
17 banks, by chapter forty-seven of the Revised Statutes. He  
18 shall preserve in a permanent form a full record of all 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 examina-  
22 tion 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  
25 be published in a newspaper printed in the nearest city or  
26 town. The necessary expense of the bank examiner while  
27 engaged in making such examination shall be paid by the  
28 said corporation.

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

Section 17. This act shall take effect when approved.



STATE OF MAINE.

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IN HOUSE OF REPRESENTATIVES,

AUGUSTA, March 14, 1901.

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

W. S. COTTON, *Clerk.*