

MAINE STATE LEGISLATURE

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Seventy-first Legislature.

HOUSE.

No. 113

STATE OF MAINE.

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

AN ACT to incorporate the Union Trust Company of Saco,
Maine.

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

Section 1. James O. Bradbury, Wm. J. Maybury, Fred C.
2 Bradbury of Saco, Frank H. Libby, Wm. J. Mewer of Old
3 Orchard, James W. Meserve of Buxton, J. F. Googins, C. E.
4 Atwood of Biddeford, Lendall W. Nash of Kennebunk, 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 Union Trust Com-
8 pany, and as such shall be possessed of all the powers, privi-
9 leges and immunities and subject to all the duties and obliga-
10 tions conferred on corporations by law.

Sect. 2. The corporation hereby created shall be located
2 at Saco, in the county of York and State of Maine.

Sect. 3. The purposes of said corporation and the business
2 which it may perform, are: first, to receive on deposit, money,
3 coin, bank notes, evidences of debt, accounts of individuals,
4 companies, corporations, municipalities and states, allowing
5 interest thereon, if agreed, or as the by-laws of said corpora-
6 tion may provide; second, to borrow money, to loan money
7 on credits, or real estate, or personal security, and to nego-
8 tiate loans and sales for others; third, to own and maintain
9 safe deposit vaults, with boxes, safes and other facilities
10 therein, to be rented to other parties for the safe keeping of
11 moneys, securities, stocks, jewelry, plate, valuable papers and
12 documents, and other property susceptible of being deposited
13 therein, and may receive on deposit for safe keeping, prop-
14 erty of any kind entrusted to it for that purpose; fourth, to
15 act as agent for issuing, registering and countersigning cer-
16 tificates, bonds, stocks, and all evidences of debt or ownership
17 in property; fifth, to hold by grant, assignment, transfer,
18 devise or bequest, any real or personal property or trusts duly
19 created, and to execute trusts of every description; sixth, to
20 act as assignee, receiver or executor, and no surety shall be
21 necessary upon the bond of the corporation, unless the court
22 or officer approving such bond shall require it; seventh, to do
23 in general all the business that may be lawfully done by trust
24 and banking companies, but said corporation shall not have
25 the power or authority 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 the said cap-
4 ital stock at any time, by 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 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 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 the vote of the shareholders, elected
9 from the full board of trustees. The trustees of said cor-
10 poration shall be sworn to the proper discharge of their
11 duties, and they shall hold office until others are elected and
12 qualified in their stead. If a trustee or director dies, resigns,
13 or becomes disqualified for any cause, the remaining trustees
14 or directors may appoint a person to fill the vacancy until the
15 next annual meeting of the corporation. The oath of office
16 of such 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
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 corpo-
2 ration shall constitute the board of investment of said cor-
3 poration. 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 institution
6 substantially in the order of time when such loans or invest-

7 ments are made, which shall show that such loans or invest-
8 ments have been made with the approval of the investment
9 committee of said corporation, which shall indicate such par-
10 ticulars respecting such loans or investments as the bank
11 examiner shall direct. This book shall be submitted to the
12 trustees or directors and to the bank examiner whenever
13 requested. Such loans or investments shall be classified in
14 the book as the bank examiner shall direct. No loan shall
15 be made to any officer or director of said banking or trust
16 company except by the unanimous approval of the executive
17 board in writing, and said corporation shall have no author-
18 ity to hire money or to give notes unless by vote of the said
19 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 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 accounts
3 thereof and of said trust department shall be kept separate,
4 and such funds and the investment or loans of them shall be
5 specially appropriated to the security and payment of such
6 deposits, and not be subject to any other liabilities of the
7 corporation; and for the purpose of securing the observance
8 of this proviso, said corporation shall have a trust department
9 in which all business pertaining to such trust property shall
10 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
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 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 corpora-
9 tion the examiner is of the opinion that its investments are
10 not in accordance with law, or said corporation is insolvent,
11 or its condition is such as to render its further proceedings
12 hazardous to the public or to those having funds in its cus-
13 tody, or is of the opinion that it has exceeded its powers or

14 failed to comply with any of the rules or restrictions provided
15 by law, he shall have such authority and take such action as
16 is provided for in the case of savings banks by chapter forty-
17 seven of the Revised Statutes. He shall preserve in a per-
18 manent form a full record of his proceedings, including a
19 statement of the condition of said corporation. A copy of
20 such statement shall be published by said corporation imme-
21 diately after the annual examination of the same in some
22 newspaper published where said corporation is established.
23 If no paper is published in the town where said corporation
24 is established, then it shall be published in a newspaper
25 printed in the nearest city or town. The necessary expenses
26 of the bank examiner while engaged in making such exam-
27 ination shall be paid by said corporation.

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 chosen,
7 by-laws adopted, and any other corporate business transacted.

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

STATE OF MAINE.

IN HOUSE OF REPRESENTATIVES,

AUGUSTA, February 12, 1903.

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

W. S. COTTON, *Clerk*