

MAINE STATE LEGISLATURE

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Seventy-first Legislature.

HOUSE.

No. 202

STATE OF MAINE.

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

AN ACT to incorporate the Millinocket Trust Company.

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

Section 1. Garret Schenck, A. Ledyard Smith, George H.
2 Parks, George W. Stearns, James F. Kimball and S. J. Gonya
3 or such of them as may by vote accept this charter with their
4 associates, successors and assigns, are hereby made a body
5 corporate and politic to be known as the Millinocket Trust
6 Company, and as such shall be possessed of all powers, privi-
7 leges and immunities and subject to all the duties and obli-
8 gations conferred and imposed by law on similar corpora-
9 tions.

Sect. 2. The corporation hereby created shall be located
2 at Millinocket, Penobscot county, 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 or collateral security,
8 and to negotiate loans and sales for others; third, to erect,
9 construct, own, maintain and operate safe deposit vaults,
10 with boxes, safes and other facilities therein, to be rented
11 to other parties for the safe keeping of moneys, securities,
12 stocks, jewelry, plate, valuable papers and documents, and
13 other property susceptible of being deposited therein, and to
14 receive on deposit for safe keeping, property of any kind
15 entrusted to it for that purpose; fourth, to hold and enjoy
16 all such estate, real, personal and mixed, as may be obtained
17 by the investment of its capital stock or any other moneys
18 and funds that may come into its possession in the course of
19 its business and dealings, and the same sell, grant and dis-
20 pose of; fifth, to act as agent for issuing, registering and
21 countersigning certificates, bonds, stocks, and all evidences
22 of debt or ownership in property; sixth, to hold by grant,
23 assignment, transfer, devise or bequest, any real or personal
24 property or trusts duly created, and to execute trusts of every
25 description; seventh, to act as executor, administrator, guard-
26 ian, receiver or assignee, with the same powers and duties
27 as are conferred and imposed by law upon natural persons
28 acting in the same capacities and subject to the same control
29 of the court having jurisdiction of the same in all proceed-
30 ings relating to the exercise of these powers; all papers may
31 be signed and sworn to by any officer designated by the cor-
32 poration for that purpose, and the officers shall be subject
33 to citation and examination in the same manner and to the
34 same extent as natural persons acting in the same capacities.
35 No sureties shall be required upon the bond of the corpo-
36 ration when acting in said capacities, unless the court or offi-

37 cer approving said bond shall require it; eighth, to guarantee
38 the payment of the principal and interest of all obligations
39 secured by mortgages of real estate running to said Milli-
40 nocket Trust Company; ninth, to hold for safe keeping all
41 kinds of personal or mixed property and to act as agents for
42 the owners thereof, and of real estate for the collection of
43 income on the same and for the sale of the same; tenth, to
44 do in general all the business that may lawfully be done by
45 trust and banking companies.

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 such stock so acquired shall, within
6 six months from the time of its acquisition, be disposed of
7 at public or private sale.

Sect. 6. All the corporate powers of this corporation shall
2 be exercised by a board of directors or trustees, three-fifths
3 of whom at least, shall be residents of this State, whose num-
4 ber and term of office shall be determined by a vote of the
5 shareholders at the first meeting held by the incorporators
6 and at each annual meeting thereafter. The affairs and
7 powers of the corporation may, at the option of the share-
8 holders, be entrusted to an executive board of three members
9 to be, by vote of the shareholders, elected from the full board
10 of directors or trustees. The directors or trustees of said

11 corporation shall be sworn to the proper discharge of their
12 duties, and they shall hold office until others are elected and
13 qualified in their stead. If a director or trustee dies, resigns,
14 or becomes disqualified for any cause, the remaining directors
15 or trustees may appoint a person to fill the vacancy until the
16 next annual meeting of the corporation. The oath of office
17 of such director or trustee, shall be taken within thirty days
18 of his election, or his office shall become vacant. The clerk
19 of such corporation shall, within ten days, notify such direc-
20 tors or trustees of their election, and within thirty days shall
21 publish the list of all persons who have taken the oath of
22 office as directors or trustees.

Sect. 7. The board of directors or trustees of said corpo-
2 ration shall constitute the board of investment of said cor-
3 poration. Said directors or trustees shall keep in a separate
4 book, specially provided for the purpose, 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 executive
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 directors or trustees 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 officers, director or agent of said company
16 or to other persons in its employ, until the proposition to
17 make such loan shall have been submitted by the person
18 desiring the same to the board of directors of such bank, or
19 to the executive committee of such board, if any, and are
20 accepted and approved by a majority of such board or com-
21 mittee. Such approval, if the loan is made, shall be spread
22 upon the records of the corporation; and this record shall,

23 in every instance, give the names of the directors authorizing
24 the loan. Said corporation shall have no authority to hire
25 money or to give notes unless by vote of the said board or
26 of said committee 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 its stock.

Sect. 9. Said corporation after beginning to receive money
2 on deposit shall at all times have on hand, as a reserve, in
3 lawful money of the United States, an amount equal to at
• 4 least fifteen per cent of the aggregate amount of all its
5 deposits which are subject to withdrawal upon demand or
6 within ten days; and whenever said reserve of such corpo-
7 ration shall be below said percentage of such deposits, it shall
8 not increase its liabilities by making any new loans until the
9 required proportion between the aggregate amount of such
10 deposits and its reserve fund shall be restored; provided, that
11 in lieu of lawful money two-thirds of said fifteen per cent
12 may consist of balances payable on demand, due from any
13 national bank, and one-third of said fifteen per cent may
14 consist of lawful money and bonds of the United States or
15 of this State, the absolute property of such corporation.

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
5 be 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 depart-
9 ment in which all business pertaining to such trust property
10 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, equably and ratably, and not one for
3 the other, for all contracts, debts and engagements of such
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
6 invested in said shares.

Sect. 13. Said 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 the company. The said surplus shall be kept to secure
6 against losses and contingencies, and whenever the same
7 becomes impaired it shall be reimbursed in the manner pro-
8 vided for its accumulation.

Sect. 14. The shares of said corporation shall be subject
2 to taxation in the same manner and at the same rate as are
3 the shares 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 the examiner is
10 of the opinion that its investments are not in accordance with
11 law, or said corporation is insolvent, or its condition is such

12 as to render its further proceedings hazardous to the public
13 or to those having funds in its custody, or is of the opinion
14 that it has exceeded its powers or failed to comply with any
15 or the rules or restrictions provided by law, he shall have
16 such authority and take such action as is provided for in the
17 case of savings banks by chapter forty-seven of the Revised
18 Statutes. He shall preserve in a permanent form a full
19 record of his proceedings, including a statement of the con-
20 dition of said corporation. A copy of such statement shall
21 be published by said corporation immediately after the annual
22 examination of the same in some newspaper published where
23 said corporation is established. If no paper is published in
24 the 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 expenses of the bank examiner while
27 making such examination shall be paid by the corporation.

Sect. 16. Any three of the corporators named in this act
2 may call the first meeting of the corporation by mailing a
3 written notice signed by all three, 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 meeting,
6 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 26, 1903.

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

W. S. COTTON, *Clerk.*