

MAINE STATE LEGISLATURE

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Seventy-first Legislature.

HOUSE.

No. 327

STATE OF MAINE.

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

AN ACT to incorporate the Lubec Trust and Banking
Company.

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

Section 1. Llewellyn Powers, Edward M. Lawrence, Frank
2 M. Tucker, Clarence H. Clark, Bion M. Pike, Jacob C. Pike,
3 Chester L. Pike, Elias P. Lawrence, Robert J. Peacock of
4 Lubec, Elias P. Grimes of Jonesboro, and Jasper Wyman of
5 Milbridge or such of them as may by vote accept the charter,
6 with their associates, successors and assigns, are hereby made
7 a body corporate and politic to be known as the Lubec Trust
8 and Banking Company, and as such shall be possessed of all
9 the powers, privileges and immunities and subject to all the
10 duties and obligations conferred on corporations by law.

Sect. 2. The corporation hereby created shall be located at
2 Lubec, Washington county, Maine, and shall have offices for
3 the transaction of business in said town.

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 corpor-
6 ation 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, property
14 of any kind entrusted to it for that purpose; fourth, to hold
15 and enjoy all such estate, real, personal and mixed, as may
16 be obtained by the investment of its capital stock or any other
17 moneys and funds that may come into its possession in the
18 course of its business and dealings, and the same sell, grant,
19 and dispose of; fifth, to act as agent for issuing, registering
20 and countersigning certificates, bonds, stocks, and all evi-
21 dences of debt or ownership, in property; sixth, to hold by
22 grant, assignment, transfer, devise or bequest, any real or per-
23 sonal property or trusts duly created, and to execute trusts
24 of every description; seventh, to act as assignee, receiver,
25 executor, and no surety shall be necessary upon the bond of
26 the corporation unless the court or officer approving such
27 bond shall require it; eighth, to do in general all the business
28 that may lawfully be done by 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 two 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 twenty-five
8 thousand dollars shall have been subscribed and paid in, in
9 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,
2 except as herein otherwise provided, shall be exercised by a
3 board of directors, a majority of whom shall be residents of
4 this State, whose number and term of office shall be deter-
5 mined by a vote of the shareholders at the first meeting held by
6 the incorporators and at each annual meeting thereafter. The
7 affairs and powers of the corporation may, at the option of
8 the shareholders, expressed in their by-laws, be entrusted to
9 an executive board of five members to be by vote of the share-
10 holders, elected from the full board of directors, and three
11 of said board shall be a quorum to transact business. The
12 directors of said corporation shall be sworn to the proper dis-
13 charge of their duties and they shall hold office until others
14 are elected and qualified in their stead. If a director dies,
15 resigns, or is removed by the election and qualification of
16 another in his place, or becomes disqualified for any cause,
17 the remaining directors may appoint a person to fill the
18 vacancy until the next annual meeting of the corporation.
19 The oath of office of such director shall be taken within thirty
20 days of his election, or his office shall be declared vacant.
21 The clerk of such corporation shall, within ten days, notify
22 such directors of their election, and within thirty days shall
23 publish the list of all persons who have taken the oath of
24 office as directors.

Sect. 7. The executive board of directors of said corporation shall constitute the board of investment of said corporation. Said corporation shall keep in a separate book, specially provided for the purpose, a record of all loans, and investments of every description, made by said institution 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 executive board 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 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 approval of a majority 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 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

6 deposits, and not be subject to any other liabilities of the cor-
7 poration ; and for the purpose of securing the observance of
8 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 or
2 trustee, any court of law or equity, including courts of pro-
3 bate and insolvency, officers and treasurers of towns, cities,
4 counties and savings banks of the State of Maine, may deposit
5 any moneys, bonds, stocks, evidences of debt or of ownership
6 in property, or any personal property with said corporation,
7 and any of said courts may direct any person deriving author-
8 ity 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 such
4 corporation, to a sum equal to the amount of the par value of
5 the shares owned by each in addition to the amount invested
6 in said shares.

Sect. 13. Such corporation shall set apart as a surplus fund
2 not less than ten per cent of its earnings in each and every
3 year until such fund with the accumulated interest thereon,
4 shall amount to one-fourth of the capital stock of said cor-
5 poration.

Sect. 14. The shares of said corporation shall be subject
2 to taxation under the laws of this State, in the same manner
3 and rate as are or may be the shares of national banks.

Sect. 15. Said corporation shall be subject to examination
2 by the bank examiner who shall visit 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 all

8 its engagements. If, upon examination of said corporation
9 the examiner is of the opinion that its investments are not in
10 accordance with law, or said corporation is insolvent, or its
11 condition is such as to render its further proceedings hazard-
12 ous to the public or to those having funds in its custody, or
13 is of the opinion that it has exceeded its powers or failed to
14 comply with any of the rules or restrictions provided by law,
15 he shall have such authority and take such action as is pro-
16 vided for in the case of savings banks by chapter forty-seven
17 of the Revised Statutes, and amendments or additions thereto.
18 He shall preserve in a permanent form a full record of his
19 proceedings including a statement of the condition of said
20 corporation. A copy of such statement shall be published by
21 said corporation immediately after the annual examination of
22 the same in some newspaper published where such corpora-
23 tion is established. If no paper is published in the town
24 where said corporation is established then it shall be published
25 in a newspaper printed in the nearest city or town. The
26 necessary expenses of the bank examiner while making such
27 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, postage paid, to each of the other
4 corporators, 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.

IN HOUSE OF REPRESENTATIVES,

AUGUSTA, March 12, 1903.

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

W. S. COTTON, *Clerk.*