

# MAINE STATE LEGISLATURE

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# Seventy-first Legislature.

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HOUSE.

No. 479

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## STATE OF MAINE,

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

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AN ACT to incorporate the Ashland Trust Company.

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

Section 1. E. G. Dunn, G. B. Hayward, E. R. McKay, N.  
2 S. Coffin, C. A. Trafton, H. L. Dobson, F. G. Dunn, H. M.  
3 Chapman, S. S. Thornton, W. B. Hallett all of Ashland, or  
4 such of them as may by vote accept this charter, with their  
5 associates, successors and assigns, are hereby made a body  
6 corporate and politic to be known as the Ashland Trust Com-  
7 pany, and as such shall be possessed of all the powers, priv-  
8 ileges and immunities and subject to all the duties and obli-  
9 gations conferred on corporations by law.

Sect 2. The corporation hereby created shall be located at  
2 Ashland, Aroostook county, Maine, and may have two offices  
3 for 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 corpora-  
6 tion may provide; second, to borrow money, to loan money on  
7 credits, or real estate, or personal security, and to negotiate  
8 loans and sales for others; third, to own and maintain safe  
9 deposit vaults, with boxes, safes and other facilities therein,  
10 to be rented to other parties for the safe keeping of moneys,  
11 securities, stocks, jewelry, plate, valuable papers and docu-  
12 ments, 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 be  
16 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 bequeath, any real or  
23 personal property or trusts, duly created, and to execute  
24 trusts of every description; seventh, to act as assignee,  
25 receiver, executor, and no surety shall be necessary upon the  
26 bond of the corporation, unless the court or officer approving  
27 such bond shall require it; eighth, to do in general all the  
28 business that may lawfully be done by trust and banking  
29 companies.

Sect. 4. The capital stock of said corporation shall not be  
2 less than twenty-five thousand dollars, divided into shares of  
3 one hundred dollars each, with the right to increase the said  
4 capital 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-  
8 five thousand dollars shall have been subscribed and paid in,  
9 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 directors, 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 seven members to be, by vote of the shareholders, elected  
9 from the full board of directors. The directors of said cor-  
10 poration shall be sworn to the proper discharge of their duties,  
11 and they shall hold office until others are elected and qualified  
12 in their stead. If a director dies, resigns, or becomes dis-  
13 qualified for any cause, the remaining directors may appoint  
14 a person to fill the vacancy until the next annual meeting of  
15 the corporation. The oath of office of such director shall be  
16 taken within thirty days of his election, or his office shall  
17 become vacant. The clerk of such corporation shall, within  
18 ten days, notify such directors of their election, and within  
19 thirty days shall publish the list of all persons who have taken  
20 the oath of office as directors.

Sect. 7. The board of directors of said corporation shall  
2 constitute the board of investment of said corporation. Said

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

Sect. 8. No person shall be eligible as a member of the  
2 executive committee 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 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,  
2 or trustee, any court of law or equity, including courts of  
3 probate 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  
5 of 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  
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 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 of  
3 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 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. He shall preserve in a permanent  
18 form a full record of his proceedings, including a statement  
19 of the condition of said corporation. A copy of such state-  
20 ment shall be published by said corporation immediately after  
21 the annual examination of the same in some newspaper pub-  
22 lished where said corporation is established. If no paper  
23 is published in the town where said corporation is established,  
24 then it shall be published in a newspaper printed in the near-  
25 est city or town. The necessary expenses of the bank exam-  
26 iner while making examination shall be paid by the corpo-  
27 ration.

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 such 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.

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IN HOUSE OF REPRESENTATIVES,

AUGUSTA, March 19, 1903.

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

W. S. COTTON, *Clerk.*